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The Weekly Magazine for Marketing Executives



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Survey of Surveys

BY WALTER MANN

"Steel—Basic to Industry"

The Penton Publishing Company of Cleveland, former publishers of the potent *Iron Trade Review* (having supplanted it with a title more in keeping with these modern steel-like times), has written a booklet with the above title, describing not only the steel industry but the new magazine *Steel*, designed to cover that industry.

This book, well done mechanically, is decidedly interesting in text. It is written in a simple, easy-flowing style. When the comparative layman (like myself) finishes it, he will have that sense of a good story well and completely told. Although a man in the steel industry doubtless knows most of its facts and its statistical tables by heart, it is nevertheless such easy reading that he will enjoy it as a quick summary of a fascinating subject. As for borderline fabricators and other near-laymen in steel, it is a liberal education in a thirty-two-page capsule.

The chapter-titles only faintly indicate the interest of the accompanying text. The first, "What is Steel?", is self-descriptive, as is the second, "Iron and Steel in America." The third, "The Adaptability of Steel," describes many new as well as old types of steel and their general uses. The fourth, "Steel's Service to American Industry," speaks of its five thousand uses which have already been tabulated and then casually says that this list is incomplete. Fifth comes "The Steel Industry Today," bristling with figures of all kinds. The sixth chapter describes the old *Iron Trade Review* and the cabalistically complete seventh tells of the new *Steel*.

Not without adroitness is the inference which runs throughout the last two chapters that the growth and development of the industry have been paralleled and in some cases anticipated by the Penton editors and publishers. This is reflected in not only the text but also in the reproduction of the cover of a staid old trade-paper of 1890 i.e., *Iron Trade Review*, followed by an extremely modernistic-covered issue of *Steel*.

All in all, an interesting booklet, well written and well produced. Available either through this column or direct from the Penton Publishing Company, Cleveland, Ohio.

More Power to You!

A different kind of survey of another but younger industrial giant, power, is furnished in the Bonbright Survey, the sixth edition of which was issued a short while ago. It gets its name from the fact that it was originally compiled and published by Bonbright & Company, Inc., investment bankers closely identified with the power and light industry, but in 1926 the publishing rights were obtained by the McGraw-Hill organization, and the present edition was edited by G. F. Wittig, statistical editor of *Electrical World*, one of their publications.

The survey is a geographical one of the electric light and power industry, showing the companies serving all incorporated places having a population of 2,500 or more; as well as unincorporated places of that size in Massachusetts, New Hampshire and Rhode Island, the relationship between the companies, the capital stock (common and preferred), funded debt and gross and net earnings of each. The tables are arranged by states.

A few characteristic facts such as total population (1920); number of families (1920), telephones, automobiles and trucks and domestic lighting customers served by central stations; value of all crops; number of manufacturing establishments; average number of wage earners; value of manufactured products; primary horsepower; and electric motor horsepower are given for each state also "so that the general type of activity of the inhabitants of the territory may be quickly visualized."

Another valuable feature of the book is an alphabetical index of all the power companies listed, with page references.

With the tendency away from municipal ownership (twenty years ago 9.6 per cent of the total generating equipment of the central stations of the country was operated by municipalities; today only 4 per cent is operated in this way), and with the increase of interconnections between operating companies, the geographical location of an electric power and light company and the character of its neighbors have assumed greater significance. This survey enables one to get first-hand data on either of these subjects by looking up the company or town in question.

Available from the McGraw-Hill Publishing Company, Tenth Avenue and Thirty-sixth Street, New York City, at \$10 a copy. 196 pages.

Power-ful New Hampshire

Having dealt with steel and power, let us now consider a third type of survey which incidentally illustrates a fundamental difference not only between the two industries but between power and all other industry. The survey is entitled, "Industrial Survey of New Hampshire: Summary Report."

The difference to which I refer is contained in the following paragraph taken from the foreword of the Bonbright Survey:

"There is one aspect of the development of the electrical industry in this country which is of tremendous importance and in which the manufacture of electric energy differs radically from any other field of commercial production. The electric power and light company is definitely tied up with the community and territory which it specifically serves. The electric power house is the heart of the body of industry, its transmission lines the arteries conveying the life blood of energy to every business nerve. Its prosperity and the prosperity of the locality in which it is situated are indissolubly linked."

(Continued on page 363)

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THE volume of comments received from executives in many lines indicates the depth of interest in the subject of private brands. A general discussion of the problems surrounding private brands was opened in SALES MANAGEMENT for August 9, with an article entitled "The Private Brand—Bombshell or Dud?" In this issue we print a story which outlines the experiences of a concern in the lighting field in fighting the private brand. In connection with it, readers are urged to refer to the original article.

* * *

HOW a big Chicago concern cut turnover on the sales force to one-seventh its former rate will be explained in an early issue.

* * *

SUBSCRIBERS who are especially interested in direct mail, both to dealers and to consumers, will find many helpful ideas in a forthcoming group of articles on those subjects. There will be a group of general "how" articles, with special emphasis on the application of direct mail to specialty selling problems and a group of articles on individual direct-mail campaigns. These latter will deal with such companies as Delco-Light, Stewart-Warner, Addressograph and Kelvinator.

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RAYMOND BILL, President; PHILIP SALISBURY, Vice-President and Director of Advertising; J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents; M. V. REED, Eastern Advertising Manager; FREDERICK FRANKLIN, Promotion Manager; R. E. SMALLWOOD, Circulation Manager; G. D. YOUNG, London Manager. Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.

Progressive Executives:

Practical experience in field and factory has given me a sound schooling in both the merchandising and mechanical sides of manufacturing. Behind my training as an organizer and executive in promotion, service and sales lies a substantial background of newspaper work, advertising and technical writing.

My services should be of real value in any keenly competitive mechanical industry, advertising agency or market research bureau. I have served as a liaison between engineering, production and sales; have worked in contact with clients, distributors and the public. I get intelligent effort from others; can write, talk, think fast and to the point.

While training and experience fit me for a position of importance and responsibility, I am not blind to the virtue of *working up* in an active, progressive organization.

Appointments will be appreciated at any time or place convenient to interested executives.

Charles B. Ryan, Jr.
Croton-on-Hudson
New York

Tips

These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Markets and Media

The McCann Index of General Buying Power. In which is explained this company's new statistical method of measuring sales potentialities and sales quotas, and how the system may be applied to sizing up accurately potential markets for individual commodities. Starting with 100 as the average U. S. per capita buying power, charts and tables illustrate the relative general buying power of each state. These figures are obtainable for each of the 3,073 counties of the United States. The booklet also demonstrates how, by superimposing the graphs of circulation figures of a magazine on those of buying power, a fair idea of whether coverage coincides with buying power may be arrived at.

Spokane Market Facts. Gathered from eleven authoritative sources, this is a comprehensive presentation of the latest market information on the Pacific Northwest (Washington, Oregon, Idaho and Western Montana). Gives sources of income, markets as measured by passenger automobiles, resources, production, growth, distribution, trading area facts, and how to secure coverage. Compiled by the *Spokane Review Chronicle*.

Steel

Steel—Basic to Industry. The history, development and present importance of the steel industry discussed in this very interesting exposition by the Penton Publishing Company. Figures on the production of steel in its various forms are given from 1810 (in census chronology) to 1930. One can learn a great many interesting things about this versatile metal's adaptability to an amazing variety of uses according to its composition. Pie-charts and tables show its major uses in their prevailing proportions among railroads, automotive, buildings, export, etc. Also give the number of plants in the United States engaged in the steel industry and the value of steel products.

Radio

"Gentlemen, Be Seated!" The National Broadcasting Company is issuing, for distribution to advertisers, a series of stories telling the experience of some of their clients with radio broadcasting as an advertising medium. Each booklet of the series contains the story of an individual company, each merchandising a different product, each with its special advertising problem. The booklets illustrate how they engineer the reaching of the desired prospect group through the selection of suitable program appeals, the choice of the right hour, etc.

Packaging

Truth—"Proper Packaging Pays." After illustrating, by charts, pictures and incident, what laboratory tests have demonstrated on how moisture loss will deteriorate a product, the Kalamazoo Vegetable Parchment Company shows how such companies as Shredded Wheat, Piedmont, Armour, etc., employ the K. V. P. wax paper to guard against such depreciation. Enumerates the great variety of products which can be protected in this way against dampness, vermin, outside odors and taste, etc.

Fishing

Fishing on the Gulf Coast of Mississippi. This has nothing to do with business, but if you like fishing or the Gulf Coast or both, you will want this complete directory of how, when and where to go. Furnished by the enterprising publisher of the *Daily Herald* of Biloxi, Mississippi.

Salesmen's Portfolios

Burk-Art. A series of articles on "How to Get the Most for Your Money When Buying Loose-Leaf Binders" has just started in Burk-Art, the house organ of the Burkhardt Company, Detroit. This magazine will be sent without charge to advertising and sales executives.

Significant News

• • • To expedite building and increase employment, President Hoover last week took measures to cut red tape interfering with immediate prosecution of public building work. He has also asked the Treasury and Post Office Departments to prepare budget estimates for as much new construction as is reasonably possible for submission to Congress in December.

• • • Commodity prices rallied last week, the Irving Fisher index number moving up to 83.3 from 82.8 the week before.

• • • Continued demand for steel indicates a further increase in output during the next fortnight.

• • • Wholesale trade reports this week point to a decided improvement in the ensuing two weeks. A good gain was observed last week.

• • • Salesmen preparing to go out on their Fall trips are much encouraged by reports they are receiving of depleted stocks of merchandise, according to W. G. Adams, managing director of the National Council of Traveling Salesmen's Associations.

• • • Slow thawing out of frozen inventories of merchants and manufacturers is noted by Professor William L. Nunn, department of economics, New York University, as the most favorable sign in the business skies.

• • • Persons seeking gainful employment in this country now number 47,000,000 according to W. L. Steuart, director of census. Of these between forty and forty-two million are now busy. Women account for 10,000,000, agriculture for 11,000,000 males, and mechanical and industrial industries for 12,000,000. Housewives he estimates at 23,000,000.

• • • Dividend declarations in August, announced up to August 30, amounted to \$447,689,154 compared with \$388,014,682 in August, 1929. Largest increases were by banks, insurance companies, public utilities, and food packers. Dividends passed numbered forty-five compared with nine a year ago. An editorial note on another page discusses this subject.

• • • Noting that wage reductions reached a high point in July, the American Federation of Labor in its September bulletin observes: "To slow down the whole industrial mechanism and reduce drastically to lower levels is wasteful and causes untold hardship in all quarters. To maintain workers' buying power would maintain production and would bridge the gap between such reductions."

• • • The sum of \$100,000,000 is spent annually on research laboratories of American industry, according to a survey made by the Standard American Corporation. Industrial research work done by more than 600 concerns takes \$75,000,000, the rest being spent by associations and bureaus. The corporation thinks the appropriation for the work will be still larger in 1931.

• • • Costs of distribution are coming in for a good

deal of attention once more on account of the prevailing belief that retail food costs as compared with the pre-war levels have not shrunk anything like as much as wholesale food prices.

• • • Replying to an assertion to this effect, Gordon C. Corbaley, president of the American Food Institute, in a letter to the *New York Journal of Commerce*, brings out the difference between the mark up of the chains, the voluntary chains, and the independents. Twenty years ago, he says, the wholesalers added 10 to 18 per cent and the independent retailers 25 per cent, making a total mark up of not less than 40 per cent.

• • • This, Mr. Corbaley says, is what gave the chains their chance. Their present general average mark up he puts at 20 per cent. The voluntary chains, he thinks, average 25 to 30 per cent, the higher margin being compensated for by deliveries. But the *Journal of Commerce* still thinks that the average food costs to families is out of line with present wholesale prices.

• • • Bond salesmen get an average commission of 26.57 per cent of gross profits on sales according to a study of the subject by the salesmen's compensation subcommittee of the Investment Bankers' Association of America. The confusing factor is the gross profits, the basis of which varies among the bond houses.

• • • Plans are afoot in England for the construction of a \$300,000,000 steel plant with a capacity of 3,000,000 tons a year, recommended by J. Leonard Replogle, former American steel magnate. He finds that France has become the world's leading steel exporter since she recovered Alsace and Lorraine, while Great Britain since 1913 has lost 97 per cent of her net exports of steel, Germany 52 per cent, and the United States, 45 per cent.

• • • An appeal for adherence to free trade by Great Britain was put out this week by a group of 116 well known bankers, manufacturers, and statesmen. It is an answer to the recent address in behalf of trade agreements among the dominions and tariffs against the rest of the world. The gist of the argument is that tariffs raise prices and restrict exports, and that the relatively small populations of the dominions offer a market for British goods that is a poor offset to losses that would be sustained in larger markets.

• • • Predicting that France will have gold reserves amounting to \$2,000,000,000 before the Fall season starts, Pierre Meynial, a well known French economist, accounts for this amazing accretion of specie by showing that since the franc was stabilized at its present value France's balance as a going concern has risen to \$526,000,000, of which sum 65 per cent is represented by gold imports, the rest having gone to foreign investments.

• • • A world economic boycott of Soviet Russia, under the leadership of the Chamber of Commerce of the United States was proposed last week by Ralph M. Easely, executive secretary of the National Civic Federation, in a letter addressed to members of the latter organization.

Business Men Need More Self-Made Foresight

BY RAYMOND BILL

THE Willard Hotel. Washington, D. C., Five P. M. Five minutes after leaving President Hoover at the White House.

Such is the setting in which this article is written. Wish you all could have been there with me the last half hour. But, no. If there had been any witness, the Chief Executive might have held to a dignified mien instead of relaxing into the pleasant state of informality, which is so often only possible when just two people are visiting together.

Immediately before I entered, the President's office had been filled with prominent men attending a session on the drought. Two hours of mental concentration on a problem intricate almost *ad infinitum*. The President's eyes showed a trace of redness. His face seemed a touch drawn, he was slightly pale. In other words, the same kind of tired expression that any business man acquires at the end of a hard day's grind.

WHY? WHAT FOR? FOR WHOM? These were the questions running through my mind as I exchanged greetings with President Hoover and seated myself.

By the way, in the very forefront of this discussion (in fairness to the President) I want to make it clear that the conference referred to did not bear on the points dwelt upon in this article; it was entirely devoted to radio, and the ways and means whereby radio can be utilized for preserving peace throughout the world and for promoting good will and understanding *among the people* of all nations. Like the drought, undoubtedly a great field for human service, for presidential leadership and for governmental participation. To be sure, this particular meeting with the President may have inspired the writer to recognize more clearly the reasons why business men should lean *upon themselves* more than upon their Government for accelerating a return to widespread prosperity, but as a visit, it did not supply any part of this text.

From the prelude some readers may think this article is going to evolve into a tribute to the President or a cry of sympathy in his behalf. Far from that—it is going to prove something of a tirade against those business men and bankers who are trying to pass the buck for the present depression on to the United States Government, when, as a matter of fact, the commercial and financial interests are themselves decidedly more responsible for the present slump in business and, still more important, offer the best practical hope for early revival of prosperity.

The Hoover picture is clear. Here is a man, honest and sincere—hard working and of exceptional intellect. Perhaps not overly experienced in the wiles of politics but with wide experience along vastly more important lines. Highly deliberative. Patient, almost to a fault. Not abundant with "spirit of the drama" in his personal life, but with plus-plenty of courage, the parent of drama. A man, obviously inspired in his desire to serve people rather than things. And all going to make a competent, admirable leader for a nation growing ever more socially conscious.

President Hoover is not slaving night and day with the drought conferences because some of the affected states are Republican and some Democrat. He is seeking to bring government help to the *people* of those states, whatever their creed or politics.

Last Fall when Hoover conferred with one industrial group after another to keep up existing wage scales, he was not primarily interested in bolstering up deservedly deflated prices of stocks. He was thinking of bread and butter and the living standard of that substantial percentage of our population whom the census lists as industrial employees. Again concerned *with people*.

All of which is, of course, only as it should be. We all want our Government to be first concerned about and for our people. Moreover, with this kind of devoted and untiring

service should go sympathetic understanding and cooperation on the part of American citizenry. *But that is just what a large part of American business men are failing to do just now.*

Corporation executives of great influence. Bankers with names "to conjure with." Merchants. Salesmen. On all sides we hear business men berating the United States Government and Mr. Hoover as its titular head *with little, if any recourse to rhyme or reason*. Unjust and unfair as such criticism most certainly is, it isn't necessary to bespeak sympathy for President Hoover. Fortunately, God made his shoulders broad and his soul of Spartan fibre.

But that isn't the point. Neither this article nor this magazine are seeking to be partisan politically. We are concerned with the ways and means of restoring widespread prosperity. Regardless of the political value of "full dinner pail" arguments to this or that party, we hold that business men are just plain foolish to expect any individual political leader or any political party to bring on a millennium overnight. It just can't be done that way, lovely as it would be to have PROFITS heaped into our laps through super miracles of Government.

Whenever and wherever you hear business men berating either Hoover or the Government for such things as the deflation in stock prices, overproduction, profitless sales, the merger passion, droughts in the farm lands, fallen commodity prices and world wide business recession, you know they are speaking *without thinking*. Indeed with unbecoming grace and lack of intelligence they are "passing the buck!" *They are, in fact, guilty of moral and intellectual cowardice.*

It is easy right now for politicians of all parties to talk about what people are hoping for and to promise much. But as business men, entirely apart from politics, we should not deceive ourselves that such promises are likely to be fulfilled except by initiative of business men themselves.

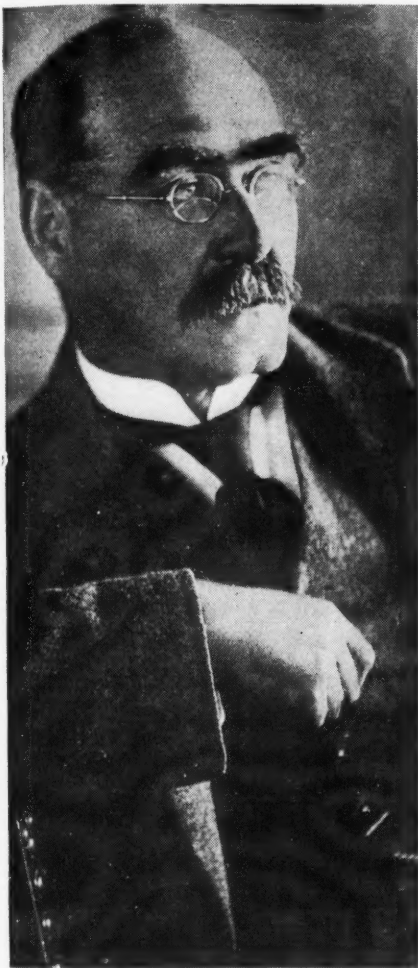


Photo by Underwood & Underwood

Rudyard Kipling

What we need most in America right now is better sportsmanship, more intelligent thinking and keener self-criticism on the part of American business men.

Buck-passing will never cause conditions to buck up. Let's forget politics for a while. Let's not expect overnight panaceas from Washington for all our ills, which by no stretch of the imagination should we expect to work miracles. At best, the Government can be no more than a constructive influence. Miracles should be left to God.

Surely we are still a nation of able-bodied people of over twenty-one who have learned to take bad breaks as well as good ones, and to work ourselves out of "tight places" by sheer dint of our own courageous, persevering and intelligent struggles.

Certainly our personal, i.e., human, resources have not sunk so low that we expect to have kind hands and big fathers cater forever and anon to our own failures.

People put prices of stocks up and people brought them down. People, not Governments, can put them back up.

When he wrote these lines, was Rudyard Kipling inspired by a Higher Power to help men with great responsibilities in times like these?

"If you can keep your head
when all about you
Are losing theirs and blaming
it on you,
If you can trust yourself when
all men doubt you,
And make allowance for their
doubting, too; . . ."

People, not inanimate dollars or Governments, are responsible for over-production. People can still increase or decrease production.

People establish prices. People can increase the prices at which products are bought as well as decrease the prices at which they are sold.

People in business (far more than senators) made the present tariff law.

People make mergers.

People breed courage and optimism.

Prosperity cannot again thrive in America unless American business men, including the exploiters who have brought such everlasting disgrace on the financial world, decide to clean house within themselves. That is where the remedy lies, not in criticism of Government and the spreading of pessimistic talk.

There must be more intellectual morality in banking. Home owners are not getting in many cases a fair break on the financing costs of their mortgages. Small loans on closed corporation stocks are not getting the acceptance or consideration they should get if conditions are to be bettered. Investment bankers and stock brokers are having trouble selling new issues because most of the underwriting houses built up a group of dissatisfied customers during the last few years by selling unsound securities at exaggerated prices. Such bankers and brokers are reaping the harvest of their own sowing; they need to acquire a new moral vision as to what constitutes reputable dealing with the public and a fair profit for underwriting and brokerage services. The whole commercial banking world



Photo by Underwood & Underwood

Herbert Hoover

is growing lean on low interest rates because, for the most part, banking lacks the kind of leadership that recognizes the merit of supplying relatively long-time capital at reasonable rates to small and moderate-sized businesses, as well as to the super-sized corporations. Investment trusts should concentrate somewhat less on stock trading operations and think more about supplying relatively long-time capital at reasonable rates to companies of fair size that are nevertheless too small to obtain public financing through listed securities at anything approaching reasonable cost. Some of the overselling of the ideas that "only common stocks constitute good investments" and that "only Big Board securities" are worth buying should be undone. Everybody should pay more attention to the fact that industrial and banking baronism can only lead to state socialism. Steps must be taken by "the big interests" to foster the spirit of entrepreneurship and to insure preservation of the opportunity for every man to make a mark for himself without benefit of material inheritance.

(Continued on page 371)

What We Have Learned about Fighting Private Brands

BY L. L. READING

*Sales Manager, Franklin Potteries, Inc.
Lansdale, Pennsylvania*

"We have no quarrel with the cheap article that is sold for what it is. But when skim milk masquerades as cream, then we think it is time to fight."

MORE than 3,000 years ago Solomon declared: "There is nothing new under the sun." The thirty centuries that have come and gone have but proven his wisdom. Today when we confront a problem or a situation we have but to study the past and we can find its parallel. There are slight differences, but, on the whole, conditions have not changed because human nature has not changed.

Just now we are hearing much about the demoralization of business because of the private brands in merchandise. A firm brings out an article which it popularizes by advertising. Immediately imitators are out with something "just as good," or "just the same." And many talk as if this were a new phase of business.

But there are many people who can recall a cycle of the same thing. In the old patent medicine days, no sooner was a "remedy" established than the druggist had something "just as good" under his own label, always a larger quantity for the same money—for \$1 was such a standard price in those days that cut-price druggists were unknown. Now the evil is greater because the field is wider, but it is the same old snake.

Admitting, then, the fact, the manufacturer is interested in how to combat it. He wants to know what can be done to protect the good will he has created by his advertising.

And it must be admitted that the problem is not easy.

If advertising really does what we, as advertisers, believe and which seems to be proven by results, the private brand scare will fade as many other scares have faded. That is, if advertising actually enables the manufacturer to produce goods cheaper, he can meet the competition of the private brands and win out. If, on the other hand, advertising adds to the cost of the goods and causes the advertiser to charge a higher price for equal quality, then the private brand has an advantage.

We manufacture, among other things, a line of porcelain lighting fixtures, used in bathrooms, kitchens, halls, laundries and places where durability combined with beauty and sanitary qualities is wanted. Some years ago we originated the line, putting it out under the name of Franklin Vitri-fied Pottery. We advertised largely in the trade journals and soon had wide distribution. The public had been looking for such a line—even if they were not conscious of it. And we sold at a fair price.

One thing that was determined upon in advance—under no circumstances would quality be sacrificed to the idea of price. If manufacturing economies enabled us to lower prices, well and good, but never would we lower quality. That policy has been rigidly adhered to.

Large jobbers, who purchased in considerable quantity, soon began asking for goods made in their own special design—not because they did not find our advertised designs satisfactory, but with the idea that they would put them out under their own name and they invariably wanted a price lower than that of our regular brand. The argument was advanced that there was no cost of advertising, no sales cost, etc., and that, therefore, we could afford to sell them for less.

In every case this business was declined, but many of these large users found manufacturers who supplied their wants. And always the substitute was sold at a lower price than our merchandise, yet invariably represented as "just as good." We cannot talk about the troubles or problems of other lines, but we can give some examples of how this has worked in our own line.

One of the largest users of this type of merchandise in the country came to us with offer of an order for a quantity far in excess of what he had been buying from us, if he could have his own design and his own label. The business was refused.

New Brand Inferior

This user was soon on the market with his own goods, but there were differences. To the casual observer both looked alike. But a lighter wire was used; the pigtailed were shorter; the wire was insulated, 1-64 inch instead of 1-32; screws used were of cheaper grade—all tending to lower quality. Yet the public bought the line.

Nevertheless, after two years' experience, that jobber came to us with an order and a request for the contract to distribute our goods in his territory—and says he never will get away from standard merchandise again.

On the other hand, one very large distributor, with an almost nationwide business, insists he is fully satisfied with his own goods, under his own label.

Perhaps one of the worst features of the private brand evil is substitution. Here is where the manufacturer who advertises and popularizes his line suffers most. A certain wholesaler issued a catalogue in which he listed products of our company. He even used cuts which were furnished him. Customers sent orders for the goods and received letters of regret, telling them that the goods were temporarily out of stock, but that the wholesaler was shipping other goods of his own which he felt sure the customers would find equally satisfactory.

In Sales Management for August 9, we opened a discussion of private brands and the many problems surrounding their rapid growth. Sales executive readers were invited to contribute their opinions and experiences on an open forum basis. Here we are printing some interesting slants on the subject from a man who knows his field.

The Private Brand—Bombshell or Dud?

Because the subject of private brands is uppermost in the minds of so many sales executives at the present time, Sales Management is starting, with this article, a series of discussions of various phases of private brand development. Since the articles we will print are to be designed to promote thought and discussion rather than to "prove" partisan viewpoints, executive readers are invited to contribute their opinions and experiences on an "open forum" basis.

BY JAMES TRUE

THE success in the market of private brands is a subject which has been discussed in Sales Management for some time.

In a number of leading manufacturers, the private brand is a subject of great interest. It is a subject which has been discussed in Sales Management for some time. It is a subject which has been discussed in Sales Management for some time. It is a subject which has been discussed in Sales Management for some time.

Photo by Lazarnik

The manufacturer knows whether his merchandise is superior to other brands. If another can put out as good merchandise for less money, then the manufacturer should look to his costs.

architect by mail as soon as he starts to plan a large job, such as hospital, hotel, apartment house, schoolhouse, etc. And we devote our campaign to selling the architect and the owner the idea that our merchandise is suited for the job and that nothing can do the work as well. In this we have been reasonably successful—we might say with modesty, more than reasonably successful. The architect appreciates quality and is anxious to use quality products. It is not easy to sell him an inferior article—he wants the best. The reason for this is not far to seek. For the architect, each job is a sort of monument. He wants to be able to point to any building which represents his work as something which would induce another prospective client to decide in his favor. That is the architect's method of advertising—and it must make good.

Sometimes the big builder is a hard nut to crack. Not that he does not want to build well, because as a rule he does, but because there are so many details that he cannot always know what is the quality article in each case.

(Continued on page 365)

And in nearly every case it worked. The only appeal of the private brand is one of price. There is a constant effort to sell something for less, yet give the impression that it is equally good. And that is what the manufacturer must fight.

The manufacturer knows whether his merchandise is superior to other brands. He may not admit it to others, but if he is capable of handling his business he must know. If another is able to put out goods of equal quality for less money, it behooves that manufacturer to look to his costs. He should be able to produce goods cheaper than the other because of wider distribution. Overhead is spread over a greater volume and the cost of advertising should not add to cost of goods. If it does, it is an economic waste.

We believe the public is inherently

honest and also that most people believe in fair play. It is because we are an easy-going people, following the line of least resistance, that it is possible for some to continue their campaigns of substitutions. When the matter is put to the people they are not ready to countenance any practice that is not strictly honest. And that is why it has been our policy to advertise, to educate the one who has the final word.

Our line is not one which lends itself to a national advertising campaign in newspapers, magazines and other media to reach the consumer. Our goods must be merchandised by the one showing them. Therefore, we adopted the plan of advertising to the architect and large builder.

In addition to usual magazine methods, we conduct a very intensive direct mail campaign. We go to the



When childhood memories are stirred through pictures and designs, or even through a package or a label, we invest the prompting design with a large measure of the attraction of the original memory, says Dorothy Trout.

The wealth of sales material in the form of ideas for designs, which lies hidden in early American history and legend, is brought to the attention of manufacturers by an artist who has evolved some interesting and very practical theories about what induces people to buy.

Yesterday's Traditions Furnish

SEVERAL years ago, in predicting the present vogue for color, Gutzon Borglum, one of the greatest American sculptors, said that in striving for attention value in their packaging most manufacturers had overlooked the selling value of artistic beauty. He also expressed the conviction that millions of women had ceased to buy otherwise satisfactory flour, breakfast foods, face creams and many other products, merely because they had grown sick and tired and bored to death from looking at the unattractive packages, prophesying that the time would soon come when manufacturers would consider artistic attractiveness as an essential factor of packaging.

Since then, improvement in the artistic attractiveness of a number of old and new products indicates that this movement is now well under way. But the full advantage of the most artistic package effects can be gained only when the designs express an additional selling value beyond their attractiveness as good art. There is no doubt that this idea will be developed rapidly, not only in the designing of advertisements and pack-

ages, but also in the creation of labels and trade-marks, and that designers will find a rich source of ideas and motifs in the various backgrounds of American living.

In fact, the selling value of designs based on romantic and sentimental legends, as well as on American history, classical and popular stories and folklore, has been something of a discovery on the part of Dorothy Trout, an artist of wide experience as a painter, designer of stage scenery and wood block prints. Lately, with unusual success, she has specialized in designs for printed linens, and in this work has gone to American sources for her motifs.

Recently, in her studio, in Washington, D. C., Miss Trout said she had been amazed at the selling power of some of the designs suggested to her by old and popular books, plays and bits of American history. At first she had no thought of finding anything beyond ideas for designs that would be suitably attractive and representative of the country; but in selling her own work she soon found the selling value of certain designs. And later she explained this value.

"One of the designs," she said, "illustrates this power exceptionally well, I think. I found the idea for it in the history of the settlement of our Western states, and called it 'The Covered Wagon.' The motif, of course, is an old-fashioned covered wagon, and in the complete design I tried to suggest something of the romance and adventure of the lives of our pioneers.

"When I first showed the drawing, however, I was a bit discouraged. Three or four large importers of linens were not attracted in the slightest; but finally the manager of a prominent house asked me to leave the drawing with him until the following day. When I called at the appointed hour I was told that the company wanted the design, provided I would produce the finished design at breakneck speed. The manager told me that he had held the drawing to show to a certain buyer with whom he had an appointment, and that the buyer, after only a moment's consideration, had ordered 16,000 yards of linen printed with the design.

"While there is nothing original in finding motifs for designs in the

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Drawing upon American legend and story, Miss Trout has developed some amusing and attractive designs for hangings, upholstery and other fabrics. Swatches of two of them, based on "After Dark" and "Uncle Tom's Cabin," are shown here.

romantic and interesting things of the past, I am sure that few people have thought of the value of these things in terms of merchandising attractiveness. In another instance this same influence was expressed in the creation of unexpected demands. Early last spring I found the basic idea for this design in Moby Dick, Herman Melville's typically American sea classic. The great white whale dominates the design, and with it the whaling ship, seals, icebergs and the sea making up the whole.

"This design was placed readily, for it was thought that linens printed with it would be attractive for hangings and upholstery in summer cottages and seaside resort hotels. We expected a sure and rather limited de-



Today's Sales Appeal

BY JAMES TRUE

mand; but one of the first orders was of good size and from an unanticipated source. A New York millionaire, who was about to launch a fine yacht, ordered several hundred yards of the material for the draperies and upholstery of his ship, and since then other yacht owners have followed his lead. Then, as the summer advanced, we found that the material printed with the design was being used for beach robes and coats and was creating something of a vogue for black and white printed linens. It was simply a matter of a design creating unexpected demands."

Others of Miss Trout's linen designs are having a large sale because of their unusual appeal, although they may not express quite the same degree of selling power. One is entitled "Uncle Tom's Cabin" and, not without humor, dramatically portrays the adventures of Eliza, Topsy and Uncle Tom. Another that is still more unusual was based on the play, "After Dark, or Neither Maid, Wife nor Widow," and incorporated in the design, which is composed of striking scenes from the play, are the signatures of Christopher Morley and

Cleon Throckmorton, who revived the old melodrama two years ago.

Miss Trout is convinced that there will be a great delving into all phases of the past of America for package designs when the selling value of the idea is more widely recognized. And the reason for the selling value, as she has worked it out, is both logical and convincing. She explained it this way:

"To me the impulsive purchase of the Moby Dick design by the yacht owner was significant. Certainly he loves the sea, or he would not have spent several hundred thousand dollars for a yacht, and therefore he is attracted by every artistic design suggesting the romance of the sea. In common with several million American men and boys, he is doubtless familiar with the story of Moby Dick, and the design, stirring up pleasurable memories, created a desire for possession that resulted in a good sale. And I am sure that if any artistic design had brought about a similar reaction, it would have created a like want for bath or shaving soap, lamps, towels, rugs or any of a hundred different articles.

"Stored in our minds are many dormant ideas and memories giving us pleasure when they are stirred to full consciousness. Many of these memories are relics of our childhood, of stories we have heard, books we have read, history we learned, and our own dream-adventures. Naturally, when a beautiful picture or design, or even a package or label, brings them vividly to the surface of our minds, we invest the prompting design with a large part of the attraction of the original memory.

"This is why, I am sure, we find selling influence in commercial and other designs based on old and well-loved things. But the manufacturer who would adopt this idea should guard against the trite and inartistic. Merely pretty pictures and poor compositions soon pall and bore the observer, and serve no useful purpose.

"During the last few years the public has been educated to a remarkable degree in the appreciation of artistic things, and this is being expressed in a new discrimination now recognized even by the big mail-order houses. The public is demanding more beauty
(Continued on page 370)

Checks and Double-Checks on Field Survey Data

BY PERCIVAL WHITE *

FIELD surveys furnish data upon which important business decisions are made. The decisions can be no more correct than the facts upon which they are based. Every precaution is taken in the modern market investigation to insure the collection of correct information. Techniques ordinarily used in checking the validity of reports are described here.

When reports from two or more sources, or several approaches to the same source, agree, facts established have considerable dependability. Field research employs this method of verifying results whenever possible. If consumers alone are to be approached, personal interviews, mail questionnaires and possibly telephone interviews are used. The information from each method should show similar results. When this does not occur, the difference must be explained—a problem usually involving additional field work. Whenever possible, results from consumer and dealer, etc., reports are compared and, in some cases, the combined tentative conclusions may be checked against the opinions of a few experts.

*This is the fourth of a series of articles on sales research by Mr. White. Other articles appeared in the issues of July 12 and 26 and August 23.

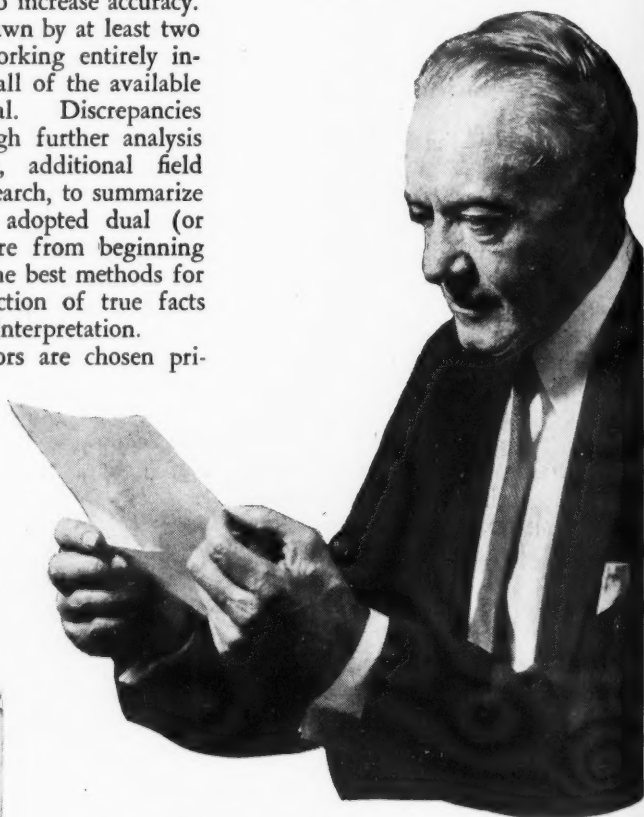
The consumer reports, for example, might show the largest use of X brand, while the dealer interviews might show the greatest of Y. Comparison of these results indicates a need for more work and the final conclusion might be that X brand was the best on the market six months ago, that the recently improved Y is better than X, and that many consumers who formerly bought X are now buying Y, the discrepancy between the consumer and dealer reports being due to the fact that the life of each of the two items is about eighteen months.

The field reports are tabulated in the home office. "Yes" and "No" answers offer no problem, yet when there is a question of classifying answers, a similar dual (or multiple) procedure is used to increase accuracy. Conclusions are drawn by at least two executives, each working entirely independently, with all of the available data at his disposal. Discrepancies are adjusted through further analysis and, if necessary, additional field work. Market research, to summarize the situation, has adopted dual (or multiple) procedure from beginning to end as one of the best methods for insuring the collection of true facts and their correct interpretation.

Field investigators are chosen pri-

marily for their honesty. The first requisite for the success of any market research organization is to "know its field force." It is, nevertheless, desirable to take steps to verify the accuracy of the reports. This is commonly done by three methods: personal interview recall by another investigator, mail questionnaire, telephone call. One device is to ask the respondent to O. K. his remarks in the form that the interviewer has written them up; another is to thank the respondent for his information and to ask an additional question; any device which makes the second contact reasonable is satisfactory. For example, the approach in telephone checking might be: "Thank you, Mr. Jones, for giving our representative information about your experience with X. If you do not mind, I will read his

(Continued on page 370)



Conclusions on field reports are drawn by at least two executives in the home office, each working entirely independently, with all of the available data at his disposal.

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PRINTING

THAT SPEAKS TODAY'S LANGUAGE

Advertisers, issuing printed appeals to purchase, have ever been sternly cautioned, "Put it in language they can understand." The old rule is just as important today—but it has a new significance. Advertisers fail today not so much in the simplicity of their approach, but in the manner of making their appeal to the market.

When the rutted track of the hillside became a teeming highway, it created a new public. With the tremendous widening of thought and desire, style was crowned queen. Today the people who buy your merchandise, who read your advertising appeal, look first in both for the alluring atmosphere of the mode. Rotogravure, most versatile of all printing processes, offers a printed effect that correctly speaks the language of today to the people you must sell.

A NEW BOOK



SHOWS WHAT YOU CAN DO ▲ ▲ ▲ ▲ IN ROTOGRAVURE

If you are weary of the search for new ways to enliven your printed advertising—if a shrug of the shoulders has ended your hopes for more sparkling presentation—send for this new book, "The New Mode in Printed Selling." It will open your eyes to the far-flung versatility of the new rotogravure, in monotone and full colors. It will demonstrate how subtly rotogravure breathes life into illustration—how faithfully it retains fine detail, and duplicates the exact tonal shade of delicate shadow and strongest depth. Aptly termed the process beautiful, rotogravure adds to every subject the note of correct quality, of style, of modernism, that is called the mode.

The opportunity in rotogravure has been further widened by the development of two new papers perfectly adapted for its use, Pictoroto and Productoroto. They are distinguished by easy handling on rotogravure presses, by delicate affinity for ink, by exceptional uniformity through laboratory control. If you use rotogravure, secure test sheets of Pictoroto and Productoroto from any office of the Seaman Paper Company, exclusive sales agents, or by writing the manufacturers.

To see for yourself what the new rotogravure can do, get a copy of "The New Mode in Printed Selling," by writing to the Consolidated Water Power & Paper Company, Wisconsin Rapids, Wisconsin.

Consolidated Water Power and Paper Company

Manufacturers, Wisconsin Rapids, Wisconsin

GOOD PAPER . . .

. . . SINCE 1904

Pictoroto · Productoroto · Pictorial Super · Pictorial English Finish
Production Super · Production English Finish

Write for Your Copy

**SEAMAN
PAPER CO.**
EXCLUSIVE SALES
AGENTS

CHICAGO · NEW YORK · MINNEAPOLIS
MILWAUKEE · BUFFALO · DES MOINES
ST. LOUIS · PHILADELPHIA · ST. PAUL

Seaman-Patrick Paper Co.
DETROIT · BATTLE CREEK · SAGINAW

Can the Independent Live?

Every dealer of Samuel Cabot, Inc., paint manufacturers, received a copy of the article printed below, sent out with a letter signed by Mr. Cabot. It offers encouragement to his dealers in the face of chain competition and predicts a brilliant future for the independent who is ambitious, and who has initiative and energy. SALES MANAGEMENT reprints this article, as holding interest for those manufacturers who have cast their lot with the independents, and who wish to encourage more modern and constructive retail merchandising.

* * * * *

I AM speaking only of the paint dealer; the man whom we all know. His name is Johnny Applebee, or Uncle Frank Zimmermann. He has had a place on Main Street for a great many years. It is a cool, quiet store, with cans of paint and varnish rising in tiers to the ceiling. There is never a great rush of business in Applebee's store; but, somehow, it has paid him a good income. Well-managed paint stores have thrived in this country ever since we sent all our logs to the sawmills, instead of building the walls of our houses with them, leaving the bark on.

Perhaps Johnny Applebee has not been a very efficient manager; certainly he has never been able to hire experts to collect statistics on distribution or consumption. But he has always known when Judge Osborne's big white house needed repainting, or when old Miss Powel was likely to need a certain number of gallons of red paint for the big barn she cherishes. And when there was a big job to be done on the courthouse, or over at the locomotive works, old Johnny Applebee would saunter over and get the order. Everybody in town knew him, of course; he had plenty of time to serve as selectman. He has plenty of time now. In fact, he has too much time, because his trade has dropped off. There is a competitor right across the street, where Uncle Frank Zimmermann had his store. But the name over the door isn't Zimmermann. It is the Bigbunk Paint Company, and their local manager is a man named Smith.

The townspeople don't know Smith very well. They say that he is "no kin to any family in town." He has sent out a lot of postcards and put an ad regularly in the Weekly Herald, and his prices are certainly low. But all he has to offer are the

Bigbunk paints and varnishes, made out West somewhere. Judge Osborne used some on his fence and the fence isn't as white as it used to be. In fact, the job was done only last May, and it's already beginning to crack and peel something scandalous, the Judge says.

Yes, that used to be Zimmermann's store, only a year ago—and for thirty years before that. But it seems Zimmermann got sort of discouraged. He never kept any books at all, except a journal. And half the time he forgot to keep that. But it appeared to him, the neighbors say, that he had less money in the bank all the time. He dealt with two or three different paint manufacturers and jobbers, and they carried him along in good shape, when he forgot to send out any monthly statements to folks who owed him. And he had a fine trade among all those German people out in Steubenville, only five miles from town. Some said he ought to have moved out there long ago; but he stuck along in his store and complained a whole lot.

Plan Sounds Good

And then, one day, came a man from the Bigbunk Company and told old Frank that the company wanted to make an exclusive arrangement with him. It sounded fine to Zimmermann, especially when he heard about all the advertising the company was going to do for him, right here in town; and how they had special window display material for him, free of charge; and how they were going to send direct mail to all his customers and prospects, and put a special salesman to sell the line for him.

Well, they did it all right. They cleaned the dead bluebottles and spiders out of his windows, and put in a lot of cards, and sold off all his stock at cut prices, and tried to show him how to keep accounts, which didn't succeed so well as the window cleaning. And then they stocked him up with Bigbunk products; which didn't go so well with his German customers, because it seems the cans were decorated in the French national colors—or something else like that.

Anyway, nothing seemed to go right with Zimmermann after that. He failed to meet some of the notes he has cashed at the bank; and one thing led to another, and now he's living with his youngest married daughter out in Steubenville, and doing odd jobs when he can. And the Bigbunk Company has taken over his store.

Johnny Applebee says it's been a great lesson to him, because he once thought of making one of those exclusive arrangements himself.

Instead, Johnny is beginning to scratch after business harder than ever before. He went to all the summer residents around town, and over at Corey's Lake, when they arrived last July. It was quite a surprise to them. He'd say something like this:

"Well, Mrs. Blades, I see your built-in benches on the porch haven't stood the winter any too well; and it certainly was a hard winter for window screens, too. Guess I'll have to deliver some of that patent Green Screen paint to you—and Linc Taylor was saying only yesterday that he has enough time on his hands to do a good job for you."

And Mrs. Blades would look at the screens and say she guessed she'd have to do something about it. And Johnny Applebee would pass the time of day some more with her, and then pilgrim along to the next house. Surprising what it did for him, too. Sometimes he'd notice one of those big mail-order books in a parlor and know that he was facing another kind of competition; but when he smiled his best, and promised service right away that same afternoon, well, the mail-order house didn't have such a good chance to fight him.

There hasn't been any bonanza of new building around the town since the Stock Market went flat last October. But all the old houses and fences and barns need smartening up, and Applebee has been getting business right under Smith's nose. In fact, the Bigbunk Company is getting sore with Smith, and has sent one of their factory men to see him and threaten him with the boot unless he makes a 300 per cent increase in thirty days.

Well, that was hard luck on Smith, but it wasn't anything very novel in his life, because he has already been booted out of a chain tobacco store, and a chain grocery; and there's no doubt Smith will bob up in some other town, maybe in a chain clothing store. And if times are pretty good, he may last several years.

Johnny Applebee, on the other hand, is determined to last for a lifetime, right here in his home town among the folks he knows—his own kith and kin.

This little story is being repeated all over America. Our salesmen tell it to me, in one form or another, at least once a week. The Zimmermann's are finding the going so hard as to be impossible. The more alert and ambitious Applebees are surviving only if they really try to sell, instead of waiting for orders.

Three competitors have been lying in wait for these old-fashioned dealers. The mail order houses have long since developed a healthy trade in paint. The chain stores have made considerable progress in this line, and so have the branch stores controlled and owned by large manufacturers. In roaring good times, with a good deal of new construction going on, there may be business enough to support all these, and the old-time independents too. In dull times, all suffer. Perhaps because he is intrinsically the weakest, the independent dealer suffers most of all.

Hear All Drawbacks

We have heard much of his handicaps, which are the same in the paint trade as in all other lines. He cannot buy as cheaply as a large house. His overhead is higher when business is active. His finances are limited; he cannot advertise widely, or employ expert counsel.

But what are his advantages? He knows the people in his town, and they know him. He has a vital interest in his business, unlike the nomadic chain store man who can accept a sweeping change in residence or even in the nature of his business. The independent dealer knows what will sell in his own district. His credit can be good enough with the manufacturers from whom he buys so that they will help him in a pinch. In bad times he can reduce his overhead much more readily than can a chain or branch store.

Last, and most important perhaps, is the fact that he can carry any line of goods that has a reputation, and is popular.

If he capitalizes all these advantages—if, in a word, he is a good

merchant—the independent dealer becomes not the weakest but by far the strongest factor in the trade. In recent bad months many chain and branch stores have shown losses. Their customers, like their managers, are apt to be nomadic—drifting in and out as the spirit moves them, but bound by no ties of relationship or friendship. Somebody, long ago, after a bit of costly experience, remarked: "A chain is only as strong as its weakest link." But weak links cannot always be cut out in a hurry, either in a chain of iron links, or a chain of stores. There is the lease, there is the stock, and there is the organization; even if the manager and clerks all are discharged, it takes time, trouble and money to replace them.

I believe that, in the long run, manufacturers will realize that it is both bad morals and bad policy to dictate exclusive arrangements to

dealers and jobbers. And dealers will eventually realize that an exclusive arrangement is a threat to their prosperity as well as to their integrity and independence.

The great and vital force in business is still the interest of the individual.

No one can run a business for someone else as energetically as he can run one for himself. No one can manage a business a thousand miles away as efficiently as if it were in his own neighborhood. Industrial big-business is reaching its limit. Consolidation is no longer always a benefit. The time is at hand when individual effort, backed by courage, energy, initiative and judgment, will yield higher rewards than branch and chain can yield. Then, I suggest, we will see a country-wide revival of one of the most valuable factors in community life, the independent dealer.

Chicago Executives' Memory Slips in Slogan Contest

Packard's slogan "Ask the Man Who Owns One"; Old Dutch Cleanser's "Chases Dirt"; Bon Ami's "Hasn't Scratched Yet"; Palmolive's "Keep That School Girl Complexion"; Victor's "His Master's Voice"; Paris Garter's "No Metal Can Touch You"; Maxwell House's "Good to the Last Drop"; Carnation Milk's "From Contented Cows", and Ivory Soap's "It Floats," are slogans that can't be confused or forgotten, the F. W. Bond Company, Chicago advertising counsel, has found in summarizing the results of a survey among advertising executives there. Seventeen executives sent in answers to a list of fifty slogans. Only twenty were identified by all of them.

The others in the list of "all answers O. K.," Mr. Bond explained, included Hoover's Vacuum's "It Beats as It Sweeps as It Cleans"; Morton's Salt "When It Rains It Pours"; Wrigley's "The Flavor Lasts"; Majestic Radio's "Mighty Monarch of the Air"; Old Gold's "Not a Cough in a Carload"; Chesterfield's "They Satisfy"; Lucky Strike's "It's Toasted"; Fisk's "Time to Retire," and Cracker Jack's "The More You Eat the More You Want."

Certain slogans only half or less than half of the contestants were able to identify. Only six of the seventeen knew that "For Young Men and Men Who Stay Young" promotes Society Brand Clothes, and only nine that "Let the Pup Be Your Furnace Man"

is intended to promote Bryant gas heaters. Five identified the Bryant slogan with other oil burners and three left it blank. Four thought they had seen Armour's "The Ham What Am" in Swift's advertisements and three believed "The Champagne of Ginger Ale" to be promoting not Canada Dry but Cliquot Club. One thought "The Greatest Name in Rubber" to be not Goodyear but Firestone, and the Weed Chain slogan "Better Be Safe Than Sorry" was confused by most of the executives with a variety of other products from John Hancock insurance to Philco batteries and from Cunningham radio tubes to Lehn & Fink's Lysol.

Another general slogan—Peerless Motor's "All That the Name Implies"—was identified with Sterling Silver, National Cash Register and Monarch foods. Goodrich tire's "Best in the Long Run" fared even worse than Goodyear. Only seven participants guessed it. The others identified it with Firestone, Dunlop and General tires, Texaco oil, Marathon gas, and one, perhaps facetiously, with Holeproof hosiery.

New Kress Magazines

Modern Screen Magazine and *Modern Love Magazine*, selling at ten cents a copy, with a guaranteed net paid circulation of 500,000 copies a month, are to be offered October 1 by the Syndicate Publishing Company, New York, for distribution exclusively through S. H. Kress Company and S. S. Kresge Company's stores.



..... Indianapolis Clothing Stores *prefer The News*

CLOTHING stores buy 11% of all retail display advertising appearing in Indianapolis newspapers. As a class, they are the third largest users of display lineage. They cater to a fundamental human need. Their advertising appeal is directed to all classes of readers. Their advertising experience is, therefore, of high importance as an index to comparative newspaper values.

Last year . . . and for years before that . . . Indianapolis Clothing merchants placed the bulk of their advertising in one paper . . . The News. For the first six months of 1930, they preferred The News by a margin of 77% over the second paper, and 115% over the third. Indianapolis Clothing stores . . . like Indianapolis Department stores . . . know by profitable experience that it *pays* to concentrate in The News.



The **INDIANAPOLIS NEWS**

sells **The Indianapolis Radins**

Member of the 100,000 group of American cities

New York: DAN A. CARROLL
110 East 42nd St.

DON BRIDGE
Advertising Director

Chicago: J. E. LUTZ
Lake Michigan Bldg.

SALES MANAGEMENT EXPORT INFORMATION

The SALES MANAGEMENT Export Data Bureau will furnish, without charge, to subscribers to this magazine, specific data on overseas markets. Two or three weeks are required for answering inquiries. Facts are accurate and up to date. If you have an export problem, let us help you.

Will Europe Ever Unify Her Tariff Policies?

BY FRANKLIN JOHNSTON

Publisher, The American Exporter, and Associate Editor, Sales Management

THE British are a practical race. Just about the time headlines featured the suggestion of a United States of Europe, it happened that the Bank of New Zealand held its annual meeting of proprietors—not a bad name for stockholders at that.

Now at that meeting, which was held in Wellington, the chairman, Sir George Elliott, made this remark:

"The idea of Great Britain and her dependencies some day merging into one harmonious whole with never a tariff wall between any of its members is a dream which, in our day and generation at least, will not be realized."

If it is a dream for Great Britain and her dependencies, for the most part one race and speaking one language, to form a customs union, how much more is it a dream for Europe with all its different races and languages?

Sir George preceded his dictum with some specific facts. For example, he pointed out that with the idea

of stimulating her dairy industry, the Australian government sanctioned an ingenious scheme, put forward by the producers and known as the "Paterson Plan," under which a bounty or bonus is paid on all butter exported. The payment of this bounty or bonus brought about an increase in the local price in Australia of butter of nine cents a pound. But Sir George pointed out that the United States decided, as a retaliatory measure, to increase the duty on imported Australian butter. Thus at the stroke of a pen all the benefits estimated to accrue to the Australian industry have been wiped out in the United States. Furthermore, Canada threatened to follow suit.

"It appears evident that if the Australian export of butter is stimulated by the bonus," said Sir George, "and at the same time handicapped by counterbalancing duties in certain countries, the bulk of it would find its way to the United Kingdom. In

that case, unless Great Britain, too, were forced by public opinion to defend her own farmers against a state bounty-fed article, the result might be oversupply, and a reduction in price, a serious event for New Zealand as for every butter-exporting country.

"The granting of a bonus or bounty on any article exported is a dangerous expedient which may lead to unforeseen complications; indeed, an artificial trade stimulant such as this tends to bring in its train more loss than gain with effects reaching far beyond immediate vision."

As a matter of fact, we do not need to go to far-off Australia and New Zealand to learn how hard it is to get different but neighboring markets to agree on tariff policies. Suppose that these United States had never been united but each was a sovereign, independent state, just as Belgium, Germany, France, Austria, Italy and Poland are.

(Continued on page 372)



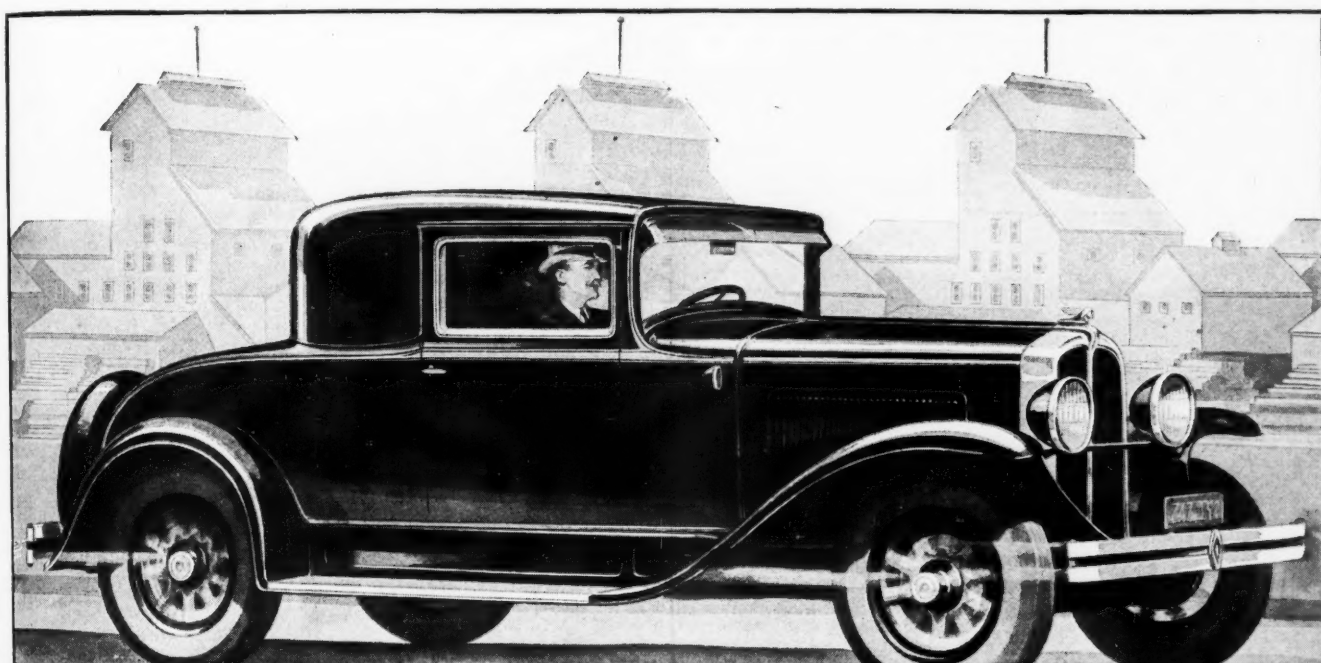
Part of the Number 9 dock at Manchester, England. "If it is a dream for Great Britain and her dependencies, for the most part one race and speaking one language, to form a customs union, how much more is it a dream for Europe with all its different races and languages," writes Mr. Johnston.

A FAMOUS NAME . . . A FINER CAR



Compare the cost per mile !

—the difference is what Pontiac's sound engineering will save you in fleet expense



PONTIAC BIG SIX

Product of General Motors

The Coupe, Body by Fisher

THERE is one sure test by which you can judge the value of the Pontiac Big Six as a car for business use. Compare Pontiac's cost per mile with that of your present fleet.

Many business enterprises in all parts of the country have supplied us with accurate figures showing what it costs them to operate their Pontiacs. These figures are complete. They include all such items as gasoline, oil, repairs, tires, insurance and depreciation. And they tell a remarkable story of the savings made possible by Pontiac's sound engineering design.

They reveal the importance of such features as Pontiac's sturdy power plant with its rigid crankshaft and the Harmonic Balancer which

counteracts torsional vibration. They show the economy resulting from its moderate engine speed which lessens wear and prevents strain during long, hard journeys—full pressure lubrication and the crankcase ventilation system which keeps water vapor out of the engine oil—its big, durable aircraft-type main bearings—the crossflow radiator—and the rubber engine mountings which increase smoothness.

Wouldn't you like to have actual proof of Pontiac's economy, and see for yourself how much Pontiac's sound engineering can save you in fleet expense? Write the Fleet Department or see your nearest Oakland-Pontiac dealer for complete details.

OAKLAND MOTOR CAR COMPANY, PONTIAC, MICHIGAN

\$665

AND UP, F. O. B. PONTIAC, MICHIGAN

Is the Thirteen-Month Calendar Practical for Business?

BY MALCOLM McCORMICK

SEVERAL years ago George Eastman wrote in a widely circulated magazine article that the calendar should be universally changed by January 1, 1933, because then the year, month, week, day, hour, minute and second all begin together, the year beginning and ending on Sunday.

That the proposed change would greatly benefit all lines of business, both in facilitating activities and curtailing costs, there is no doubt. The inconveniences of the present calendar are familiar to most business men, and they are emphasized when the details of the simplified calendar are considered.

In distribution, especially, it appears that a year of thirteen months with twenty-eight days to every month would encourage more rapid turnover, allow a more orderly routing of salesmen, provide a basis for more accurate sales comparisons, offer opportunities for better statistical records and forecasts and the estimating of quotas, and bring about many other benefits.

As chairman of the National Committee on Calendar Simplification, of Rochester, New York, Mr. Eastman has taken a deep interest in the movement. Now, however, it is not possible that his hope for the adoption of a revised calendar in 1933 will be fulfilled; but there is much to encourage future expectation. There is a great deal of sentimental and some religious opposition to the plan that will take time to eradicate; but the large number of important manufac-

SEARS, ROEBUCK AND CO.

The 13 Periods for the Year of 1930

1ST PERIOD							7TH PERIOD								
	T	F	S	S	M	T	W		T	F	S	S	M	T	W
January	2	3	4	5	6	7	8	June	19	20	21	22	23	24	25
January	9	10	11	12	13	14	15	June	26	27	28	29	30	J-1	2
January	16	17	18	19	20	21	22	July	3	4	5	6	7	8	9
January	23	24	25	26	27	28	29	July	10	11	12	13	14	15	16
2ND PERIOD							8TH PERIOD								
January	30	31	F-1	2	3	4	5	July	17	18	19	20	21	22	23
February	6	7	8	9	10	11	12	July	24	25	26	27	28	29	30
February	13	14	15	16	17	18	19	July	31	A-1	2	3	4	5	6
February	20	21	22	23	24	25	26	August	7	8	9	10	11	12	13
3RD PERIOD							9TH PERIOD								
February	27	28	M-1	2	3	4	5	August	14	15	16	17	18	19	20
March	6	7	8	9	10	11	12	August	21	22	23	24	25	26	27
March	13	14	15	16	17	18	19	August	28	29	30	31	S-1	2	3
March	20	21	22	23	24	25	26	September	4	5	6	7	8	9	10
4TH PERIOD							10TH PERIOD								
March	27	28	29	30	31	A-1	2	September	11	12	13	14	15	16	17
April	3	4	5	6	7	8	9	September	18	19	20	21	22	23	24
April	10	11	12	13	14	15	16	September	25	26	27	28	29	30	O-1
April	17	18	19	20	21	22	23	October	2	3	4	5	6	7	8
5TH PERIOD							11TH PERIOD								
April	24	25	26	27	28	29	30	October	9	10	11	12	13	14	15
May	1	2	3	4	5	6	7	October	16	17	18	19	20	21	22
May	8	9	10	11	12	13	14	October	23	24	25	26	27	28	29
May	15	16	17	18	19	20	21	October	30	31	N-1	2	3	4	5
6TH PERIOD							12TH PERIOD								
May	22	23	24	25	26	27	28	November	6	7	8	9	10	11	12
May	29	30	31	J-1	2	3	4	November	13	14	15	16	17	18	19
June	5	6	7	8	9	10	11	November	20	21	22	23	24	25	26
June	12	13	14	15	16	17	18	November	27	28	29	30	D-1	2	3
13TH PERIOD															
	T	F	S	S	M	T	W								
December		4	5	6	7	8	9								
December		11	12	13	14	15	16								
December		18	19	20	21	22	23								
December		25	26	27	28	29	30								
January, 1931		1													

overlapping at the beginnings and ends of months, and the shifting of the days of the week to different dates each year.

Because of these defects, the report states, there can be no genuine statistical comparisons between the records of one month and another. "There is not only a difference in the number of days in the months, but a varying difference in the number of working days. Counting holidays, there may be a difference of 19 per cent between the number of working days in March and those of February, depending on how the calendar shifts them from year to year."

With the adoption of the revised thirteen-month calendar, comparative statistics of costs would be based on equal periods of time. Therefore, costs could be more accurately checked and controlled.

At present, the accounting being based on unequal periods, it may appear that costs have unduly increased or decreased, when such is not the case.

Operating on the new calendar, production is more accurately checked and controlled, there are no longer five weekly payrolls in one month, and sales are also more readily controlled. Budgets are prepared without the necessity of figuring for unequal periods, all periods of income and outgo are harmonized, and the handling of accounts receivable and payable is simplified.

If, or when, the thirteen-month calendar is generally adopted, the

turing concerns that have adopted the thirteen-period calendar for the purposes of their business affairs indicates that the national and even international adoption of the revised calendar is only a matter of a few more years of educational effort.

Recently a letter from SALES MANAGEMENT to Mr. Eastman, requesting him to compare the old with the revised calendar in terms of business management, brought from his office a special report on the advantages any business concern can expect from the adoption of the thirteen-month calendar. The disadvantages of the present calendar are shown to be the varying lengths of the months, the variation of the weeks in the months and their

For Users of Offset Papers

Some Offset Users . . . are troubled with transparency in the paper supplied on their jobs.

Other Offset Users . . . are disappointed that one side of their folders always shows up poorer than the other.

And Still Others . . . are discouraged that their printed results are dead and not as brilliant as they wished.

UNLESS you use a dull coated paper you will always be up against the first two difficulties, and in most cases, the third also.

Snow White Offset . . . is the only sheet of its kind on the market which eliminates these three common objections.

Coated with a dull finish, by a unique process which applies only the minimum amount of a special coating, it has achieved invariably a brilliant success.

Take advantage of this improvement in offset paper. Use Snow White Offset on your next difficult or fussy job.

THE MEAD SALES COMPANY, Inc.

CHICAGO
111 W. Washington Street

NEW YORK
230 Park Avenue

DAYTON
Callahan Bank Building

THE MEAD CORPORATION, CHILLICOTHE, OHIO

Stocks carried in the principal cities

New England Sales "Catechism" Gives 76 Ways to Aid Profits

SEVENTY-SIX avenues to more sales and profits are suggested by the New England Council, Boston, in a series of six letters to manufacturers covering, in question form, "our product," "our customer," "our tools," "our sales plan," "our costs," and "our results."

The questions were prepared by the industrial committee of the council in response to requests for information on what manufacturers are doing to meet the present business situation. After each question appears space in which the manufacturers may record "the answer of today," which (in another column) "suggests this action be taken." A third column is intended for checking up on results two months hence. Answers in each column should be dated.

Manufacturers are asked to keep the letters for their own information, but are asked to tell the committee what results, if any, are directly attributable to them. "We expect a large factual response," Robert Huse, editorial executive of the council, told SALES MANAGEMENT, "and have already received quite a number of favorable comments on the series from business men, editors and others—including the officials of the Department of Commerce. Many requests for the series are coming from other parts of the country."

In the belief that the questions will be of interest and value to its readers, SALES MANAGEMENT presents the series in full:

I. Our Product

1. How do we know our product fully meets the customer's needs, tastes, or ideas?
2. Have we recently checked with our customers whether or not our product is satisfactory to them?
3. Is quality of our product the best possible for the purpose or service for which it is designed?
4. Can we increase the utility of our product? Should we re-design?
5. Can we develop new uses for our product?
6. Can we improve the appearance of our product?
7. What other improvements if any would be acceptable to our customers?
8. Does our product meet nationally recognized standards and specifications for goods of its class or kind?
9. Are products of some other industry displacing our products?
10. Are there products for which buyers are waiting that we should be developing?

II. Our Customer

11. Who buys our product and why?
12. How often does each customer buy our product?
13. How much of our product can each customer use to advantage?
14. What per cent of our annual sales are repeat orders? Are we reducing our customer turnover?
15. Are we inviting customers who have not bought recently to consider the advantages in our latest product?
16. Who are prospects for our line?
17. Where are they located?
18. How many of them are there?
19. What per cent of total market for our class of product is represented in our sales? Can we increase this?
20. Are we using the Department of Commerce "Market Data Handbook," "Industrial Structure of New England," "Commercial Structure of New England," as market information sources? Why not?
21. What allied or related lines are customers buying? Why?
22. What competing lines are customers buying? Why?
23. Do such purchases suggest new markets, — new selling activities, — we should develop?

III. Our Tools

24. How can we improve our training of salesmen?
25. Have we furnished our salesmen a manual of selling ideas and complete information about our product, its use; our company and its policies?
26. What difficulties do our salesmen have in selling our product? Do we record, analyze and correct these difficulties?
27. Do our salesmen obtain orders without concessions?
28. Do our methods of compensating salesmen produce the incentive necessary for the desired results?
29. Do our studies of dealers' methods of selling and displaying our product suggest new ways of helping them sell more and make more?
30. Can we increase sales through a more liberal credit policy without exceeding the percentage of bad-debt loss allowable for our business?
31. Do our methods of packing, shipping, and delivering bring our products to the customer in the best condition, in the least time, and at the lowest cost?
32. How much can we increase our service to customers without sacrificing too much profit?
33. Is anyone in our field giving lower price, better value, and better service?
34. Does our advertising tell the customer what our product will do for him or does it merely describe it?
35. Are we doing enough consistent advertising to prove its sales value?
36. Do we apply what we learn by comparing competitors' advertising with ours?

IV. Our Sales Plan

37. Do we maintain adequate records of

sales, by items? lines? accounts? territories? salesmen?

38. What items in our line constitute the bulk of our sales? of our profits?
39. On what items do we lose money? Should we discontinue any of these?
40. In what territories have our sales declined? Do we know why?
41. Are our quotas broken down into amounts of "repeat" and of "new" business expected from each territory?
42. Are our present sales outlets right as to type? location? number? methods? service to customer?
43. Are there any new trade channels through which our goods can be moved economically to the customer?
44. Are we cultivating the New England market as intensively as we should?
45. Are we exporting? If not, why?
46. Will the market absorb our output on a capacity basis? Have we any excess manufacturing capacity we should eliminate?
47. Do we forecast and budget sales?
48. Are we balancing our sales and our production with respect to quantities to be manufactured and carried, quality standards to be maintained, costs to be met, steady employment for our workers, and profits to be made?
49. Who are our competitors, within our industry? outside our industry?
50. Are we cooperating with the other members of our industry in meeting the competition of other industries?
51. What is there in our competitors' products, services, or methods, not in ours? Should we "match" them in those matters?

V. Our Costs

52. Do our manufacturing costs show costs of individual items?
53. Can we reduce any of our costs of manufacturing without sacrificing quality?
54. Do we know what it costs to sell each item in our line?
55. Can we reduce any of our selling costs?
56. Do we analyze our selling costs for their effect on our present margin of profit?
57. What is a fair and reasonable margin of profit for each item in our line?
58. Do our prices permit reasonable profit on each item we sell? Can we increase the price of any non- or low-profit items?
59. Do we know what is the smallest order we can profitably handle?
60. Should we discontinue some of our less profitable items and concentrate on our more profitable ones?
61. Are we making a profit from each account on our books? If not, should we stop selling the non-profitable accounts?
62. Is cultivation of distant markets absorbing too much of our profit?
63. Does our present volume at present prices and profit margins yield us a fair return on our investment?
64. What combination of volume, price, and profit margin will give us a fair return on plant investment?

(Continued on page 372)

Fascinating Work

The preparation of each advertisement in rotogravure stimulates you to ever new effort towards more effective picture appeal. Here hand and cards both heighten the appetite appeal of choice food. There are so many ways, in rotogravure, by which you can center interest in your product, no wonder

it is a most effective medium.

The Kimberly-Clark Corporation manufactures papers of different weights and qualities for black and white, color and rotogravure printing. These grades are used extensively for magazines, package inserts, booklets, mail order catalogs, catalog and magazine inserts, broadsides, house organs and for the majority of newspaper rotogravure sections.

Kimberly-Clark Corporation

Established 1872

NEENAH, WIS.

NEW YORK: 122 E. 42nd St.

CHICAGO: 8 So. Michigan Ave.

LOS ANGELES: 510 W. 6th St.



Both Eggs Must Be Good

ANY experienced cook knows that every ingredient must be right. One egg of doubtful age might easily spoil the cake. * * * * The production of good roto-gravure is easy — but good roto-gravure begins with a suitable photograph and ends only with skilled printing upon paper made especially for the particular roto-gravure work being done. * * * * The papers made by Kimberly-Clark Corporation for various roto-gravure uses have for years been the standard because of their established de-



pendability. For example, the majority of roto-gravure sections published by the newspapers of North America are printed on a Kimberly-Clark paper. Thus are high standards maintained and the effectiveness of roto-gravure advertising assured year after year.

Kimberly-Clark Corporation

ESTABLISHED 1872 NEENAH, WIS.

CHICAGO — 8 S. Michigan Ave.

NEW YORK — 122 E. 42nd St.

LOS ANGELES — 510 W. Sixth St.

McCann and Erickson Will Unite in Advertising Agency Merger

The H. K. McCann Company and the Erickson Company, advertising agencies, will merge October 1, *SALES MANAGEMENT* learned this week. The two companies will maintain separate offices until January 1. The name of the new organization and the terms of the merger will be announced in a few days.

The new agency will compare favorably in size with N. W. Ayer & Son, J. Walter Thompson Company, Batten, Barton, Durstine & Osborn, Lord & Thomas and Logan, Erwin, Wasey & Company, and Campbell-Ewald Company.

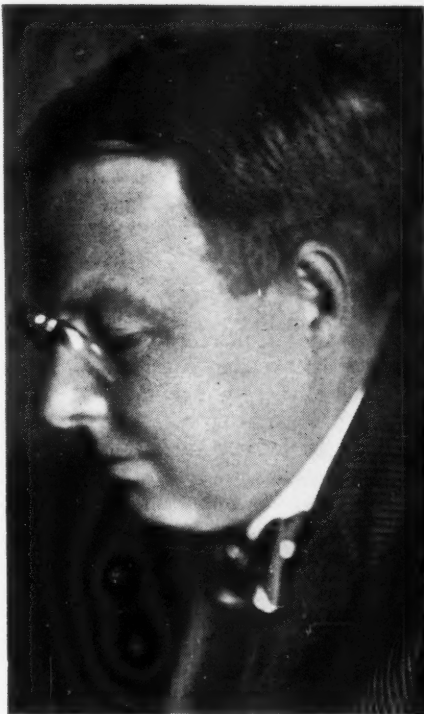
With seven offices in the United States, four in Canada and three in Europe, the McCann Company services about 111 accounts—the largest of them being several Standard Oil companies, including New Jersey, the Beechnut Packing Company, the Borden Company, California Packing Company (Del Monte products), Canadian National Railways, and several California cooperative farmers' associations.

The Erickson Company maintains one office in New York, serving seventeen accounts, including Bon Ami Company, Congoleum-Nairn, Inc., Dictaphone Sales Corporation, the United States Tobacco Company and Valspar Corporation. The Erickson agency, established in 1901, is eleven years older than the McCann Company.

Both A. W. Erickson and H. K. McCann, presidents of the two organizations, have been leaders in the advertising business for a number of years. Prior to establishment of his own organization, Mr. McCann was advertising manager of the old Standard Oil Company. Mr. Erickson for a number of years had advertising experience with manufacturing concerns. Both have been active in the affairs of the American Association of Advertising Agencies—Mr. McCann being chairman of the board until this spring and formerly treasurer. Mr. Erickson was president in 1921-22.

Present officers of the McCann Company include Mr. McCann, H. L. Palmer, Harrison Atwood, H. Q. Hawes, M. S. Achenbach, Raymond Atwood, C. Olmstead, E. O. Perrin, L. E. Firth, vice-presidents; E. D. Hill, treasurer; H. A. Doolittle, assistant treasurer, and Kathryn H. Kelly, secretary. Mr. Hill is also treasurer of the Four A's.

The Erickson officers are: Mr. Erickson; Harry Dwight Smith, vice-presi-



A. W. Erickson

dent and merchandising director, and Newcomb Cleveland, vice-president. Mr. Smith was formerly president of Fuller & Smith Agency, Cleveland, which merged a few weeks ago with the F. J. Ross Company as Fuller & Smith and Ross.

The new McCann-Erickson plan is the latest of a long series of mergers in the advertising agency business—two of the most notable of which, in the last five years, being the establishment of Lord & Thomas and Logan and of Batten, Barton, Durstine & Osborn.

A report that Calkins & Holden would join the combine is unfounded.

Chicago Daily News Uses Dodge Boats for Cargo

Three sixteen-foot marine runabouts, manufactured by the Horace E. Dodge Boat & Plane Corporation, have been purchased by the Chicago *Daily News* to carry cargoes of mats from the headquarters building in Madison Street to the North Side plant at 2823 North Oakley Avenue. The running time of the boats up the north branch of the Chicago River is thirteen minutes—somewhat faster time than was made by the motor cars previously employed, and the trip is accomplished without danger to pedestrians and drivers.

Branded Towels Defeat Unbranded in National Cannon Mills' Test

To determine the cumulative value of the advertising campaign it has conducted for the last ten years, Cannon Mills, towel manufacturers, New York, has just held a nation-wide "name value" test on branded and unbranded merchandise.

The test in seven different stores in as many cities, from Boston to Dallas and San Francisco, shows that a brand of merchandise led by ratios of from two to eight to one.

In R. H. White Company, Boston, the ratio was five and a half to one; in Block & Kuhl, Peoria, Illinois, eight to one; A. Harris, Dallas, two to one; Morehouse-Martens, Columbus, two and one-half to one; J. N. Adams, Buffalo, four to one; Emporium, San Francisco, two to one, and Loeser's Brooklyn, four to one.

The stores in Boston, Peoria, Columbus and Buffalo, were selected principally because they were non-Cannon accounts it was explained. On all occasions in all stores the "breaks" were given the unbranded towel wherever there was a question of preference in newspaper advertising, of table location in the department, of better borders on merchandise and preference of the known heavy selling days.

"Supervision was exercised also to prevent salesgirls pushing one brand against the other, or the unbranded against the branded. In most cases the salesgirls did not know that the unbranded product was also made by Cannon Mills," according to the report on the test.

In the first week two tables of towels were placed on display in the linen departments—one featuring branded, the other unbranded towels, both at 29 and 39 cents. The identity and quality of the branded and unbranded merchandise were the same, a slight difference in border treatment being the only distinguishing feature. The size of both towels was 22 by 44 inches and 23 by 46 inches. All display signs were equal in size and the trade names, in the case of the branded, Cannon, and, in the case of the unbranded "turkish," were of identical size. Both branded and unbranded were marked at sale prices—29 cent towels being sold four for one dollar and 39 cent, three for one dollar.

In the second week, advertising of both branded and unbranded was carried in local newspapers, equal space and copy being given to each.

Durant Makes Plans to Sell 100,000 Mathis Cars Here

Directors of the newly-formed American Mathis, Inc., which has just signed a contract with E. E. C. Mathis, motor car manufacturer of Strasbourg, France, to build 100,000 of his midget cars here, will meet in New York, probably next week, to work out production and marketing plans, under the direction of William C. Durant, veteran American motor car manufacturer and financier, who is president of the new company.

American Mathis (pronounced Mattece), Inc., will be affiliated with Durant Motors, Inc. Manufacturing will be done at the Durant plant in Lansing, Michigan, with Durant Motors of California, Oakland, in charge of manufacture and distribution on the Pacific Coast. Deliveries are scheduled to start December 1. Sales executives and marketing policies, including the advertising agency for American Mathis, will probably be announced after that meeting, Mr. Durant said.

Affiliated with him in the new enterprise, as directors, are Robert C. Rueschaw, Lansing; Roy D. Kerby, Toronto; Edward Ver Linden, Detroit; Norman De Vaux, Oakland; T. S. Johnston, New York, and Mr. Mathis, chairman. Mr. Rueschaw and Mr. Ver Linden, like Mr. Durant, are automotive pioneers—Mr. Rueschaw having been general sales manager of the Reo Motor Car Company until July, 1922, and Mr. Ver Linden prominent in the development of Olds Motor Works of General Motors Corporation. Mr. Mathis is now in the United States assisting in the organization work.

The Mathis car is slightly larger than the British Austin, an American modification of which has just been introduced here. The price at which it

will sell, the features and seating capacity in this country have not been decided on.

The Mathis will be built in one chassis only, with coupe, sedan and delivery van bodies interchangeable. The car will be on exhibition at the Lansing factory until August 23, and in the Durant salesroom in New York during the following week.

The day of the smaller automobile is definitely at hand, Mr. Durant said. "Parking difficulties and expense for garage space are considerations in large cities that must be met. A good small car, with power and stamina, will go far in meeting that problem." Durant dealers, if they can qualify, will be given an opportunity to handle the Mathis, but the control of the distribution is entirely in the hands of American Mathis company, with headquarters, temporarily, at the Lansing plant.

Coincident with the announcement of American Mathis, Inc., a complete reorganization of the executive staff of Durant Motors, Inc., which has had charge of the company since Mr. Durant relinquished active control in January, 1929, was also announced. This reorganization involved the resignation of A. J. Philp as chairman of the board; Fred J. Haynes, president; R. A. Vail, vice-president in charge of operations and J. A. Nichols, Jr., secretary-treasurer.

Organizer and twice in control of General Motors Corporation, Mr. Durant has been a prominent figure in the automotive world for nearly a third of a century. Previously he was in the carriage business. He organized the Durant company about ten years ago, and at the time of its greatest expansion was selling cars in every price class—among them the Locomo-



W. C. Durant

bile, the Durant, Flint and the four-cylinder Star. His operations in the New York stock market, in which he is a dominant factor, have been no less spectacular.

The present advertising agency of Durant Motors, Inc., is George Harrison Phelps, Inc., of Detroit, Lansing and New York. Mr. Phelps has been a member of the Durant board.

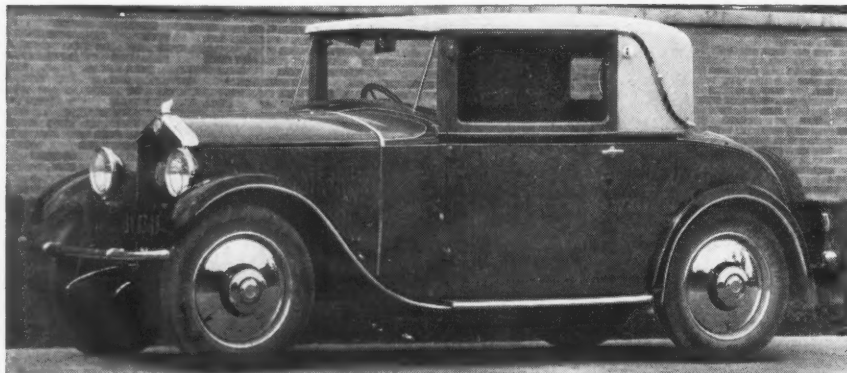
New Products Subsidiary Organized by Chrysler

The Amplex Manufacturing Company has been organized by the Chrysler Corporation to handle the sales of all Chrysler products other than finished cars and trucks, it was announced early this week by E. S. Chapman, president of the new company, which will have offices in Detroit.

Sales activities will be confined mainly to marketing marine engines, industrial motors and Oilrite bronze bearings, Mr. Chapman said. Other products will be offered through the Amplex company as they are developed by Chrysler.

H. E. Fromm will continue as sales director for the marine engines, which represent the largest present activity of the new company. P. J. Hilgendorf is in charge of service. Other officers of the Amplex company are B. E. Hutchinson, vice-president, and R. H. Appleman, secretary and treasurer.

The Kelly Pipe Company, Los Angeles, will launch soon a seventeen-months' campaign on reconditioned pipe, in farm and trade publications.



The French Mathis midget car which will be adapted and manufactured in the United States by American Mathis, Inc., under the direction of William C. Durant,

Gossip

CLARENCE E. ELDREDGE, formerly sales manager, recently assistant to the president, of the Reo Motor Car Company, has joined Young & Rubicam, Inc., New York and Philadelphia agency. . . . MARK

E. CRAMER, who has been in charge of research for the *Progressive Farmer*, Birmingham, Alabama, has become connected with Standard Farm Papers, Inc., Chicago, in charge of northwest territory. . . .

ROBERT WINTHROP, special representative of Warner Brothers Industrial Films, Inc., will start soon on a tour of the United States, addressing advertising clubs under the direction of the Speakers' Bureau of the Advertising Federation of America, on "How Talking Pictures Make Advertising Pay." . . . PAUL JONES has been promoted from educational director to manager of advertising and sales promotion of Servel Sales, Inc., Evansville, Indiana. He succeeds A. T. GOLDING, who has joined the Servel distributor at St. Louis. . . .

ROBERT S. CLARY has opened an office as advertising counselor at 342 Madison Avenue, New York. He has been connected with Curtis Publishing Company and, more recently, Charles W. Hoyt Company, advertising agency. . . . The Manfre Advertising Agency has been organized at Philadelphia. PHILIP R. MANFRE, former advertising manager of the Lester Piano Company, is president; COURTNEY V. FRANKLIN, vice-president, and DAVID D. JACOBS, secretary. Offices are at 1306 Chestnut street. . . .

THOMAS L. EMORY, newspaper representative on the Pacific Coast for many years, has become San Francisco manager of Industrial Publications Company, handling *Aeronautical World Journal of Commerce* and the *Pilot* in Northern California, Oregon and Washington. . . . WILMER WOOD is now district manager of Reo Motor Car Company, for California, Arizona and Nevada, at San Francisco. . . . E. F. ARCHIBALD, former secretary of the H. H. Charles Advertising Service, New York, more recently with Isaac Goldman Company, printer, has become production manager of Redfield-Coupe, Inc., advertising agency there. . . . WILLIAM DAY STREETOR, artist, who has spent forty-one years with the O. J. Gude Company and General Outdoor Advertising Company, its successor, has just written a book on "Constructive Lettering," published by Bridgman Publishers, Pelham, New York. . . .

FREDERICK F. STEVENSON, member of the directorate of Visugraphic Pictures, Inc., New York, has been appointed executive vice-president. Mr. Stevenson was at one time advertising director of the Spool Cotton Company, New York, and an executive with the McLain, Simpers Advertising Organization, Philadelphia. . . . HAROLD G. ANDERSON, formerly account executive and copy writer with the Blackman Company, and previously head of his own agency in Florida, has joined Kenyon & Eckhardt, Inc., New York agency, as an account executive. . . . JOHN F. VAN BROCKLIN, formerly in an executive capacity with American Department Stores, and previously with Lord & Taylor of New York, has joined the executive staff of Kerr-McCarthy Advertising Service, Inc., there. . . .

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point Pencils to the dozens
already discovered by American
business. This story comes from the
world's largest manu-
facturers of equipment
for handling milk
and dairy products.

Cherry-Burrell
Corporation,
Chicago, wanted
to secure the
names of producers of milk,
but found them difficult to get.
W. R. McEwen, advertising
manager, finally hit upon the idea
of writing to station agents in the

Attach business card or
letterhead For Executives
Only

Autopoint
The "Better Pencil" Made of Bakelite

3 Big Features

1 Cannot "jam"—protected by patent. But
one simple moving part. Nothing to go
wrong. No repairs.

2 Bakelite barrel, beautiful onyx-like, light-
weight material.

3 Perfect balance—not "topheavy."

Autopoint Co., 1801 Foster Ave., Chicago

Here's a Use for Autopoints which sales managers will want to know

W. R. McEwen,
Advertising
Manager,
Cherry-Burrell
Corporation



dairy regions asking for names of
milk shippers.

Give to station agents

But how to secure the cooperation
of these agents? Mr. McEwen de-
vised the plan of supplying each
agent who sent him names with an
Autopoint Pencil, imprinted with
his firm's name.

The plan worked. Thousands
of names were secured at low cost.
Cherry-Burrell Corporation in-
creased its business by having up-
to-date lists of new prospects.

This firm's experience may sug-
gest a like use of Autopoints to
you. Whatever your line, we know
there is a way Autopoints can help
you. Let us help you find it.

A complimentary pencil for you

To show you just what an Auto-
point is, and why users like it,
we'll send you a complimentary
pencil imprinted with your firm's
name. There is no obligation in
this offer. But it is made because
we hope to interest you in using
this pencil as a sales aid.

Send us your name and address
on the coupon below. Enclose your
letterhead or business card, please.



FREE

to Executives—an Auto-
point Pencil imprinted
with your firm name.
See coupon.

Autopoint COMPANY
1801-31 Foster Ave., Chicago, Ill.

Without obligation, please send sample Autopoint, book-
let, sales-building proposition, prices, etc.

Name _____

Firm _____ Title _____

Address _____

S. M. 9-6-30

Ruxton Signs Up Distributors; National Campaign in January

With distributors appointed in fourteen large cities of the United States and Canada and several others expected soon, the Ruxton Corporation, manufacturer of the Ruxton front-wheel-drive car, St. Louis, is planning to have fifty distributors in the major trading centers of the country by the time that the New York automobile show starts early next January, Helm Walker, vice-president in charge of sales, told SALES MANAGEMENT this week.

"National advertising will start at that time," Mr. Walker said. "At present our advertising is purely local in character."

The distributors appointed since the reorganization of the company and its affiliation with the Moon and Kissel motor car companies a few months ago are in Montreal, New York, Philadelphia, Pittsburgh, Baltimore, Youngstown, Cleveland, Dayton, Chicago, Minneapolis, Roanoke, Kansas City, New Orleans and San Francisco. "We are now developing a direct-mail campaign to be put on by us for each distributor in his territory," Mr. Walker said. "When we appoint a distributor we suggest that he set a date immediately following receipt of his first shipment for a pre-view or opening or whatever he may call it. We provide for his use in any reasonable quantity, an elaborate and distinctive invitation to be mailed out by him to his mailing list, and we assist him in enlarging it by getting the names and addresses of owners of higher-priced cars, clubs, bank officers and officers and executives in the higher organizations in his community. At the time of his showing the newspaper carries the announcement, varying in size from 600 lines to a full page, depending upon the importance of the distributor and his community. This is followed with several smaller advertisements.

"It is our plan to alternate newspaper and posters in the distributors' communities. That is, one month of newspaper advertising, followed by a month of posters, then a month of newspaper advertising. In this way we can get more actual news value into our newspaper copy—relying upon the posters for continuity of advertising.

"We are now building fifty cars a month and the question faces us as to whether our production facilities will enable us to run more than that before spring.

"Our consumer advertising will not begin to appear until about New York show time, when we will probably go into the class publications only—leaving media of wider circulation until later on when production has enabled us to get our prices down into the more popular brackets."



Governor Dan Moody of Texas

Brillo to Double Budget for Autumn Campaign

One hundred thousand dollars—an increase of 100 per cent over the corresponding period of last year—will be spent in advertising in magazines and newspapers this fall by Brillo Manufacturing Company, Brooklyn. This amount is in addition to cooperative advertising work the company is doing with large grocery chains. Newspaper space will be four inches by two columns weekly. Color pages will be taken in women's magazines.

Announcing the campaign, Milton B. Loeb, president, pointed out that the ability of Brillo to increase its profits in the first half of this year was largely a result of the advertising which the company has carried on for the last fifteen years. He expects substantial increases this fall.

The campaign is in charge of Hanff-Metzger Company, New York agency.

Texas Governor Backs National Campaign to Boost Cotton

To help cotton farmers in the South and Southwest to get the full value of their products, Governor Dan Moody of Texas has proposed a "Buy-a-Bale-of-Cotton" movement, in which governors of all cotton states were asked to join.

An appeal would be made to the people to buy a bale of cotton of the 1930 crop at 15 cents a pound, Governor Moody told SALES MANAGEMENT. At present, he explained, cotton is selling below cost of production. The drought has increased the farmers' distress.

The work would be carried out through regional organizations. Governor Moody would not say whether or not it might involve an advertising campaign. The price at 15 cents a pound would be several cents above the current market level.

The Governor estimated that it would be possible to take 5,000,000 bales of cotton off the market and thus stabilize and increase the price, adding \$375,000,000 to the pocketbooks of Southern farmers.

The investment to individuals over the nation would be about \$75, the cost of one bale. Taking the similar movement of 1914 as a criterion, Governor Moody declared that every person who bought a bale would be able to get his money back. The \$75 would be a loan with the bale of cotton as security.

He stressed two points in his proposals: first, that the Governor's appeal be addressed not only to the South but to the whole nation; and second, that "distressed" cotton not under contract by cooperatives be purchased.

First Negro Newspaper Admitted by A. B. C.

The Kansas City *Call* has just become the first Negro newspaper to be admitted to membership in the Audit Bureau of Circulations. A weekly, the *Call* has a net paid circulation of 17,202. Other Negro newspapers, among them the *Amsterdam News* of New York, are also seeking membership. Decision of the Audit Bureau to change its policy with regard to Negro members is a result of pressure brought to bear by certain advertisers and publications.

Account Changes

FRENCH LINE, New York, steamship line, to Batten, Barton, Durstine & Osborn, Inc., there.

LEHN & FINK PRODUCTS COMPANY, New York, Hinds cleansing cream, textile cream and toning cleanser, three new products, to Cowan & Dengler, Inc., there.

BANKERS TRUST COMPANY of New York to Young & Rubicam, Inc., there. Effective November 15.

BRADEN'S CALIFORNIA FRUIT PRODUCTS, INC., packers and distributors to the consumer of California fruits and table products, magazine advertising to Vanderhoof & Company, Chicago.

PAINE-WEBER & COMPANY, Milwaukee, stocks, bonds and investment securities, to Klau-Van Pietersom-Dunlap-Younggreen, Inc., there.

C. H. COWDREY MACHINE WORKS, Fitchburg, Massachusetts, machinery, to Wm. B. Remington, Inc., Springfield, Massachusetts. Newspapers and direct mail.

MURRAY M. ROSENBERG, INC., New York, owners and operators of Miles Shoe Stores, selling men's and women's shoes in fifty stores in the metropolitan area, to Charles Austin Bates, Inc., there.

INTERNATIONAL NUTYP TOOL CORPORATION, Oswego, New York, vises, wrenches and kindred tools, to G. F. Barthe & Company, Inc., Syracuse.

III OLYMPIC WINTER GAMES, to be held in Lake Placid, New York, in 1932, a part of International Olympics to follow in Los Angeles in summer of 1932, to James F. Newcomb & Company, Inc., New York City. Newspapers, magazines, radio, publicity, direct advertising posters and other media.

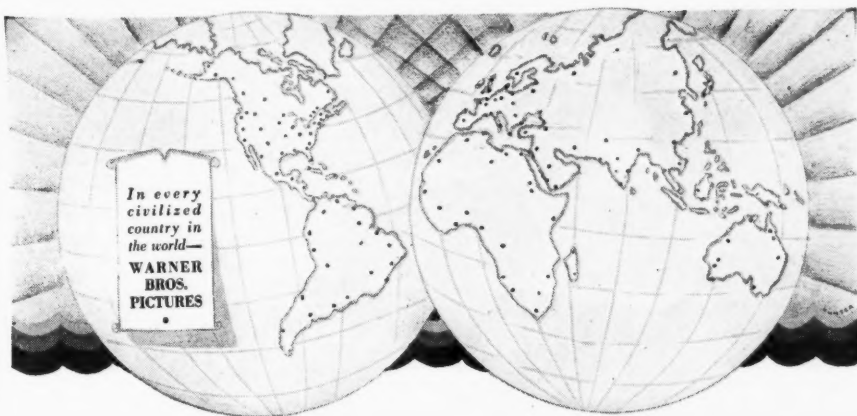
LA TEMPTRESS PERFUME COMPANY, Boston, to Brown's Publicity Service there. Mail order publications.

ARNOLD & NORTH, INC., mantelpieces, fireplace accessories and colonial hardware; CHILDHOOD INC., children's furniture and playthings, both of New York City; and ELECTROL OF WESTCHESTER, INC., White Plains, New York, distributor of Electrol oil burners, to Anderson, Davis & Hyde, Inc., New York City.

WEYMER & YOUNG, INC., New York City, dealers in Old English furniture and silver, to Lupton, Reed & Company there.

HOLLYWOOD STUDIO STORES, home courses in arts and crafts, and EL MIRADOR HOTEL, Palm Springs, California, to the Mayers Company, Inc., Los Angeles. National mail-order publications for the former; class magazines and newspapers for the latter.

HICKSON, INC., New York, Washington, D. C., and Boston, ladies' apparel, to Arthur Rosenberg Company, Inc., New York.



**if the world is your market
we'll tell the world . . .
if a single state is your
market we'll tell that state**

with **WARNER BROS. Industrial Pictures**

Warner Bros. cover the world. Warner production units are ready to go into action anywhere, at any time.

A Warner made industrial picture can be used to reach a guaranteed audience of 5,000,000 people in the finest moving picture houses. Or you can cover any particular territory you want—address dealer meetings a thousand miles away, or bring the home office and factory to the most distant members of your sales force.

The most powerful sales weapon modern science has developed is now ready to carry your message *in sight and sound* to an audience of your own selection!

WARNER BROS. Industrial Pictures, Inc.

A subsidiary of Warner Bros. Pictures, Inc.

220 WEST 42ND ST., NEW YORK CITY

Branches in 26 Cities in the United States and throughout the World

WARNER BROS. INDUSTRIAL PICTURES, Inc.

220 West 42nd St., New York City

Please send illustrated book and full details on Industrial Picture making.

NAME _____

COMPANY _____

ADDRESS _____

SM-96

The cost of this service is less than you think. Write for illustrated book describing the possibilities of the industrial picture.

WHAT WARNER BROS. PROMISE WARNER BROS. DELIVER

National Cash Register Turns Back Calendar in New Sales Drive

"Forget the first eight months and start the year September 1," J. H. Barringer, vice-president and general manager of the National Cash Register Company, Dayton, told the 2,000 members of its sales force in announcing this week the "most intensive sales campaign" in the history of the company.

For the next four months salesmen for the concern in the United States and Canada will be challenged by Mr. Barringer's broadcast statement to every agency of the company and to 2,000 members of the selling force that "the tide has turned and business is moving upward."

The final quarter in the company's business was said today to offer unusually fine opportunities for establishing new sales records. Executives of the company will spend most of September with the selling force in the field.

Electrical Opportunity Increases on Farms

Six hundred and twenty-seven thousand farms have been electrified since the first experimental rural high-line was built at Red Wing, Minnesota, seven years ago, Karl M. Mann, president of Case-Shepperd-Mann Publishing Corporation, New York, told the Joint Committee of Rural Electrification in New Jersey at Trenton, recently.

There will be at least 3,000,000 good farm prospects available for rural electrification in the next few years, Mr. Mann said. "The farm market offers in the neighborhood of 20,000,000 horsepower that can be electrified."

A. T. A. E. to Meet

The part of the trade association in bettering business conditions will be discussed at the eleventh annual convention of American Trade Association Executives, to be held at Niagara Falls, Ontario, September 24-27. Principal speakers include Alfred Reeves, secretary and manager of the National Automobile Chamber of Commerce, who will discuss "Facts the Basis for Business Improvement", and Flint Garrison, of the Wholesale Dry Goods Association.

Midget Golf Magazine

Miniature Golf Management, a magazine for owners, operators and managers of the tiny golf courses, has been launched by the Keystone Publishing Company, of Los Angeles. It will appear semi-monthly.

Philadelphia Agencies Offer "Interneships"

"Interneships" are being inaugurated in the advertising world, with a new advertising course offered by Temple University of Philadelphia. "The Advertising Agency," a thirty-week course, will be open to second-year advertising students of that school this fall, and the three students with the highest grades will be offered twelve-week internships in as many Philadelphia agencies.

The Richard A. Foley Advertising Agency, Inc.; Geare, Marston & Pilling, Inc., and the Oswald Advertising Agency, Inc., will provide the experimental field for the internes.

\$10,000,000 U. S. Fund Will Stabilize Grapes

The attempt to organize the California grape and raisin industry, in accordance with the Federal Farm Board plan has succeeded, according to Wylie M. Giffin, chairman of the state committee of fifty responsible for securing signed contracts covering 85 per cent of the 506,700 acres of vineyard. The Federal Farm Board plan calls for more effective and scientific marketing methods of the state's average crop of 2,000,000 tons of grapes and the disposal either through by-products or by permitting to rot on the vines the estimated annual surplus of 300,000 tons.

Funds for the purchase of the surplus will be lent the Grape Control Board, Ltd., by the Federal Farm Board, funds estimated at from \$10,000,000 to \$20,000,000 over the period of years necessary to carry out the surplus control and stabilization program. This loan will be repaid by the growers at the rate of \$1.50 a ton for grapes and \$5.50 a ton for raisins. Merchandising agencies to be used are four co-operative organizations already in operation: for fresh grapes, the California Vineyardists Association, the California Fruit Exchange, and the San Joaquin Grower Shipper Association. For raisins, the California Raisin Pool, bringing in as outlets the private packers and the Sun-Maid Raisin Growers Association of Delaware, as the cooperative packing and selling outlet.

Headquarters of the Bakelite Corporation have been moved from the thirteenth to the eighteenth floor at 247 Park Avenue, New York.

Pageant Will Dedicate Camden Radio Capital; Industries Expanding

Camden, New Jersey, will be dedicated "Radio Capital of the World" at a pageant there, September 19, under the direction of the local chamber of commerce. The pageant will be connected with a "Back to Work" campaign being conducted by RCA-Victor Company, Inc., and will depict the expansion of radio and other industries of Southern New Jersey.

E. E. Shumaker, president of the RCA-Victor Company, has announced that on that date his company will start full production in its program to produce 9,000 complete radio sets a day—giving immediate employment to about 20,000 workers. A number of other manufacturers have expressed their willingness to join in the movement. The entire program will be presented in a special sixty-four-page tabloid section in rotogravure by the Courier-Post Newspapers there.

Radio sets are being manufactured at Camden by RCA-Victor, Radio Corporation of America, General Electric and Westinghouse Electric & Manufacturing Company. In addition, W. L. Tushingham, vice-president of Courier-Post Newspapers, said, other industries in that section are increasing their activities. The New York Shipbuilding plant now has \$50,000,000 in ships to be completed in thirty months and will employ 12,000 workers. Campbell Soup Company is to double its production. Three of the leather industries will turn out \$17,000,000 of products this year, the largest amount since the war. Continental Can Company is building a new factory to add another \$1,500,000 to the industrial payroll. Camden expects 40,000 more workers on its payrolls by November 1.

Loose-Wiles Expands on the Pacific Coast

The Tru Blu Biscuit Company, with plants at Spokane, Portland and Seattle, has become affiliated with the Loose-Wiles Biscuit Company, makers of Sunshine products, Long Island City, Will H. Murgittroyd, president of the former company, announced this week.

The transaction, involving approximately \$1,500,000, was negotiated on a stock exchange basis. Tru Blu will continue to make its own brand of biscuits, but will also act as Loose-Wiles distributors for the Pacific Northwest.

Survey of Surveys

(Continued from page 334)

Made by the Grafton Power Company (part of the New England Power Association) and prepared by the division of municipal and industrial research of the Massachusetts Institute of Technology, with the hope that it may "contribute toward the growth and prosperity that the state should rightfully enjoy," this Summary Report offers proof of this difference.

It undertakes to give only a general picture of conditions in New Hampshire, detailed data on specific subjects or localities being on file and available upon request to the Grafton Power Company. The material presented falls under fourteen main heads: New Hampshire (general), the industrial situation, industrial development, natural resources, transportation, labor, vacant plants, water, taxes, banking, educational facilities, recreational facilities, electric utilities, and material on file.

The Summary Report is the first industrial survey by a power company that has come to our attention but not, I hope, the last. It is an excellent piece of work that other power companies, chambers of commerce, etc., will do well to review when contemplating a similar undertaking.

Available free upon request to the Grafton Power Company, Littleton, New Hampshire. Twenty-nine pages.

Thumbnail Reviews

The Problem of Textile Advertising. By Allan B. McIntire, vice-president and director of sales development, Pepperell Manufacturing Company, Boston, Massachusetts. A discussion of how advertising can solve some of the problems of the textile manufacturer. Free from the Calvin Stanford Advertising Agency, Connally Building, Atlanta, Georgia.

Markets for Sawmill and Woodworking Machinery in Central and Eastern Europe. Trade Information Bulletin No. 709 of the Bureau of Foreign and Domestic Commerce. Describes the sawmill and woodworking industries of central and eastern Europe, showing the timber resources, the types and origin of the machinery in use, production and sales methods followed, and other factors bearing on the market for sawmill and woodworking machinery in that territory. Ten cents a copy from the Superintendent of Documents, Washington, D. C. Thirty pages.

Far Eastern Markets for Dairy Equipment and Supplies. Trade Information Bulletin No. 711 of the Bureau of Foreign and Domestic Commerce. Presents statistics showing the production of milk, butter, cheese and related products, the extent of sanitary regulation and the progressiveness of the market for dairy equipment and supplies in the Far East. Ten cents a copy from the Superintendent of Documents, Washington, D. C. Twenty-three pages.

Chain Stores. By Paul H. Nystrom, professor of marketing, Columbia University. Revised April 30, 1930. Briefly states the present situation of chain stores in relation to independent retailers and wholesalers and the entire system of distribution. Twenty pages of statistics relating to the subject. Available free upon request to the Domestic Distribution Department, Chamber of Commerce of the United States, Washington, D. C., forty-six pages.



Does your letterhead reflect the personality of your business?

AMONG the business letters that find their way across the average executive desk, you'll find some that give more than the who, what, and why that ordinary letterheads convey.

Realizing the importance of letterheads as the most familiar representatives of the firm, business men are putting into their letterheads more of the individual personality of their business. By strength or grace of design, by unusual choice of paper, their letterheads more closely interpret the spirit that makes their particular business different from any other.

Make this interesting experiment. Secure a copy of the business paper portfolio, "The Chart of Bond Paper Value". There is no charge for it. In this portfolio you will find fifteen sample letterheads, designed for fifteen different kinds of businesses. Note how each conveys the significance of the business for which it is intended.

Skillful arrangement of the elements and appropriate use of color make it possible for each of these letterheads to bring to mind a clearer picture of the service each company is equipped to render. Compare these specimens with your own letterhead. You may receive ideas applicable to your own business.

"The Chart of Bond Paper Value" will also aid you in the preparation of business forms and advertising folders. Illustrative samples of these also are included, on colors of Caslon Bond.

Caslon Bond is known throughout the country as the popular-priced paper ideally fitted to the needs of business. It is easily recognized by the watermark on each sheet. Your printer can supply Caslon Bond in thirteen different colors, with envelopes to match.

THE MUNISING PAPER COMPANY
MUNISING, MICHIGAN

CASLON BOND

COMPARE YOUR LETTERHEAD WITH THE SPECIMENS IN THIS FREE BOOK

"The Chart of Bond Paper Value" is free to business men only. Merely send this coupon with your letterhead attached. (Other interested persons may purchase a copy on request.)

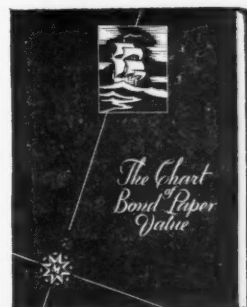


The Munising Paper Company
Dept. 402, Munising Michigan

Please send a copy of "The Chart of Bond Paper Value" to the address shown on the attached letterhead.

Name _____

Position _____



Captain Coste Brings Some "Copy"; Club Honors Him for It

If the oil and motor companies were a bit slow to capitalize on Captain Dieudonne Coste's arrival by plane from Paris this week, the couturiers, tourist and advertising agencies more than made up for it. A dress by Callot, "the first plane delivery from Paris to New York," was advertised in seven-column space the morning after the arrival. In another seven-column advertisement on the opposite page John Wanamaker's Store announced that the dress would be shown there.

In the group of "first advertisements" to reach New York from Paris by airplane was an invitation from M. Gaston-Gerard, *haut commissaire au tourisme*, Paris, and Walter Edge, United States Ambassador there, to "come to France" and "be sure to visit the 'Maison du Tourisme.'" Still another opposite page consisted of greetings from Deauville and Cannes to "all those who know the charm and elegance of these two famous resorts."

Not to be outdone, Sir Charles Higham, in an advertisement carried on the plane, which appeared at the same time, invited "correspondence" with American advertisers who want to do more business in Europe. Born in Brooklyn, and formerly an employe of Calkins & Holden advertising agency and other American concerns, Sir Charles is perhaps the best-known British advertising agent, speaking with a distinct English accent.

Captain Coste and Maurice Bellonte, co-pilot, were guests of the Advertising Club of New York at a luncheon Wednesday noon—the speakers at which were Charles Murphy, president of the club; Grover Whalen, chairman of Mayor Walker's reception committee; Jules Henry, charge d'affaires, French Embassy; Maxime Mongendre, consul general of France at New York; Paul Meyer, publisher of the *Theatre Magazine*, and Jean Tillier, president of the French line.

Oregon Growers Join to Sell Prune Juice

The Major Fruit Products Company has been organized at Portland, Oregon, as a distribution organization of Oregon prune growers, who are planning to extend the market for prune juice. The juice is being put up in bottles as well as jugs.

Reo Soon to Launch Front-Drive Model

Reo Motor Car Company, Lansing, Michigan, intends to introduce a front-drive motor car next month, SALES MANAGEMENT learned this week.

Reo has been expanding its headquarters staff, dealer and distributor organization for some time and the new car, which is said to be "revolutionary," will be introduced in an extensive national advertising campaign.

It has also been reported that the Peerless Motor Company of Cleveland is working on a front-drive car.

The Reo advertising is handled by George Harrison Phelps, Inc., at its Lansing office.

Austin to Introduce Sports Model Soon

Production of a sports model of the American Austin car will begin about October 1 at the factory in Butler, Pennsylvania.

The September output at Butler is expected to be about 5,000—the number of workers there having been increased to 865, exclusive of the business office force.

The Austin models are all intended for two passengers. The company also makes commercial cars.

Eastman to Expand Gelatine Business

The Eastman Gelatine Corporation, a new Massachusetts subsidiary of the Eastman Kodak Company, has made a contract to purchase the gelatine plants and business of the American Glue Company, subject to approval of stockholders of the latter company.

The glue business of the American Glue Company is not affected by the transaction.

Furniture Firms Merge

J. J. D. Bassett Company, Bassett, and W. M. Bassett Company, Martinsville, Virginia, have been merged. The company is said to be the largest furniture factory in the South, with an invested capital of \$5,000,000, and operating six factories with a force of 2,000 workers.

Heads Trimble Sales

Edward S. Swazey has been elected vice-president in charge of sales of Trimble Nurseryland Furniture Inc., Rochester, New York. Mr. Swazey was appointed sales manager of the company early this year.

Grocery Wholesalers Seek to Curb Use of "Free Deals"

The practice of certain manufacturers of offering free or special deals without protecting dealers who have purchased under the regular policy, was denounced by the National Wholesale Grocers' Association, New York, in a bulletin issued last week.

"We all know that ultimately the consumer pays for the wasteful practices in any industry," M. L. Toulme, secretary, pointed out. For years trade groups have sought to eliminate the waste in business."

In a resolution adopted at a Trade Practice Conference the association pointed out that "free deals which operate to induce merchants to purchase beyond sales possibilities, automatically reduce values, overstock the trade and produce unsound conditions"

"Of course," Mr. Toulme explained, "every manufacturer and merchant has the right to sell his merchandise as he sees fit. He may, if he chooses, give away his goods. It is not the purpose of this circular to condemn or commend any particular type of sales policy nor to approve or disapprove of the 'guarantee against price decline' plan. If a manufacturer chooses to sell under that plan that is his own individual affair and this association has taken no position on that subject.

"It is, however, our desire to point out that the use of misleading and fictitious prices in effecting sales and the abuse of the free deal policy make for waste and loss. From an economic standpoint it is recognized that any plan which will 'load up' wholesalers and retailers with large stocks of merchandise, so as to retard turnover, adds further to the difficulties of today."

Coast Dairy Producers to Exchange Brands

A cooperative sales and marketing arrangement has been entered into by the Challenge Cream & Butter Association of San Francisco, the Interstate Associated Creameries of Portland and the United Dairymen's Association of Seattle, whereby the products and brands of all three concerns will be handled interchangeably—thus, in effect, giving each firm the territory of the other two for its products. The three groups are composed of more than 33,000 producers; their annual sales total \$36,000,000.

What We Have Learned about Private Brands

(Continued from page 345)

But we have approached these men with the appeal that even though our material is slightly higher in price than the private brand, the prestige of the name, as well as the more attractive designs, helps to make sales even though it is admitted that no high price can be charged. The difference in cost is but a few dollars and could not be reflected in the selling price.

One notable example illustrates this point. A large builder in the Middle West was persuaded to try our merchandise in a number of houses of a large operation. He was using a cheaper material in the others. His salesmen were told in each case, in merchandising the houses, to mention the name of these fixtures, whether ours or the others. The reports were almost unanimous that there was a quick response when our name was mentioned but that the private brand had no effect.

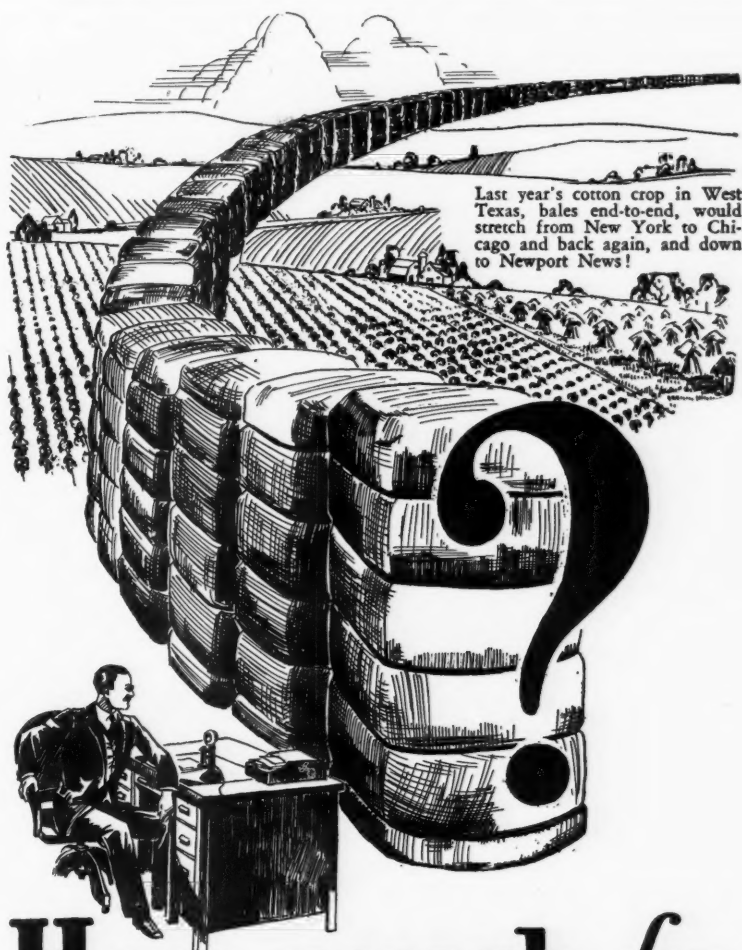
This lesson was not lost on the builder, and when his next project of 500 fine houses was planned our trademarked merchandise was specified and mentioned in the booklet describing the home.

Makes Renting Easier

Another builder erected some large apartment houses for rent. He was persuaded to use our higher-priced material where it would fit in, the argument being that it would make the apartments easier to rent, though no higher rent could be charged. This owner made careful check on the renting and was satisfied that the argument held good. The result has been that he had built three other large buildings since and without argument has installed our material, although the private brands are to be had for less.

It must be admitted that the private brand, the cheap article put out by large users, has had a demoralizing effect in many quarters. It has resulted in causing others to cut prices and to a considerable extent has captured the buyer who buys on price alone. But we believe all this will adjust itself as conditions become normal.

There is a market for quality merchandise and there is a market for cheaper merchandise. With the cheap article, sold for what it is, we have no quarrel. It fills a need in the business structure. However, when "Skim milk masquerades as cream," then it is time to fight it.



How much for 2 million bales?



Lament all you please about the commodity market—2,145,373 bales of cotton mean vast purchasing power. No wonder we call it "Wealthy West Texas." No wonder 2,000 new citizens move into this country each week. For every year \$750,000,000 of new wealth comes into West Texas to be spent for somebody's goods. Yours?

125,000 families in this wealth-belt look for the Star-Telegram and Record-Telegram on every day! Or Sunday.

First in Texas in national lineage — 1929.

125,000

Net Paid Circulation
DAILY or SUNDAY

FORT WORTH STAR-TELEGRAM Fort Worth Record-Telegram

AMON G. CARTER
President and Publisher

A. L. SHUMAN
Vice-President and Adv. Dir.

Charter Member, Audit Bureau of Circulations

Editorials

THE LESSON OF DIVIDENDS: The numerous passing or reductions of dividends in recent weeks is less eloquent of untoward conditions of business than it is of antecedent methods which, to no small extent, are responsible for the plight in which many companies now find themselves. The trouble, in other words, is, not so much that earnings have declined to such an extent as to preclude disbursements to stockholders, as that dividends which were paid in the flush times of 1928-1929 were too high in view of all the circumstances. Many boards of directors were misled no doubt by the surface aspect of affairs and the chorus of callow believers in the theory that we had permanently achieved a new high level of profits. In too many other cases, however, the competition for high security prices and the craze for consolidations and flotations lay behind action which in soberer moods would never have been taken. This is true especially of corporations upon whose common stock regular dividends were declared at a rate scarcely warranted by earning returns which at best could safely be given to stockholders only in the form of temporary extras. The same is true of some of the stock dividends and split-ups, better calculated to arouse speculators' enthusiasm and provide opportunities for "high finance" than to put the properties concerned in a secure position. The correction now going on furnishes assurance that the canker is undergoing rapid elimination. And the fact that total dividend payments last month were higher than in August, 1929, indicates no general impoverishment.

HARVESTS RIPENED IN THE LIMELIGHT: Readers of Sir Thomas Lipton's autobiographical sketch now being published in the *Saturday Evening Post* cannot fail to be struck by his genius for advertising, to which he ascribes much of his success. As he puts it, he was one of the few merchants of more than half a century ago who then took advertising seriously. Half his original meagre capital he invested in his first store. Of the rest a good part went into hand bills, posters and a few lines in a Glasgow newspaper. His chief preoccupation seems to have been schemes for provoking people to talk about him and his business. Summing up his general plan he says: "I was a very large user of space in the morning, evening, and weekly newspapers. This form of publicity cannot be improved upon for sustained effectiveness, but if you can back it up with a practical novelty, particularly one that will make people laugh, you have solved the problem of complete and suc-

cessful advertising. . . ." Everything he did was inspired by his belief in the theory that the road to fortune is paved with large sales and small profits. He made money enough in his chain stores to put himself forward as the most persistent and most friendly contender for honors in the sport of multi-millionaires—reaching the very center of the limelight at a time of life when most men that attain it are content with reminiscences of its fructifying effulgence.

A GOOD EXAMPLE: The "Back to Work" campaign which is being pushed by Camden, N. J., in celebration this month of the city's dedication as "Radio Capital of the World" has a more solid foundation than most drives designed, in times of depression, to turn the mind of the crowd toward hopeful expectation. Camden is fortunate in being headquarters for a good many aggressive industries. The RCA-Victor Company, which is leading the movement, will give pith and moment to the occasion by beginning full production in its program for 9,000 complete radio sets a day; the New York Ship yard adds its bit to the cheerful prospect with contracts calling for construction in the next thirty months involving an expenditure of \$50,000,000 and the steady employment of 12,000 men; Campbell Soup is still adding to its extensive plant; Continental Can is putting up a new factory, and several leather concerns are pressing ahead at close to top speed. No less than 30,000 workmen are expected in the parade which has been arranged to give practical evidence of good feeling and good times. . . . If nothing more than sentimental appeal was behind this demonstration, there would be little reason for saying anything about it; those who cry prosperity in the midst of adversity are no more useful than those who cry peace when there is no peace. But the Camden industries which are raising their banners are in no such case. They are not whistling to keep up their courage. They are calling attention to work under way at a time when the scars of past misfortune are only too much in evidence. They are offering for the country's contemplation some signs of reawakening which cannot be dismissed as emanations of mere enthusiasm for an empty idea. One Camden going back to work in full force does not make a busy nation. But a single community in southern New Jersey rejoicing at its good fortune in being an early example of the coming revival is of more use than many communities elsewhere that merely fold their hands in resignation at the evil which has befallen them.



AN income-producing building project germinates in an owner willing to put up about 40 per cent of the cost against the chance of perhaps 20 per cent net return on his investment. A financing institution is then found ready to lend 60 per cent of the cost as a mortgage loan. The money to build now in hand, architects, engineers, contractors, and rental agents are employed; and jobbers, dealers, and manufacturers given a chance to sell merchandise.

The building is planned and specifications drawn up in conference with the owner—who encourages the inclusion of features on which he is sold and discourages others not worth the money in his opinion. The financing institution lifts its voice along the same lines.

Bids are obtained . . . And now the grief! . . . The total cost is far in excess of the somewhat optimistic earlier estimates. This is the stage of the game at which the manufacturer is blessed indeed whose merchandise is worth the money *in the owner's opinion*. The bank also scrutinizes changes closely to prevent impairment of the quality of its collateral.

MORAL. To sell your merchandise, sell "the money." Resort heavily to advertising in your sales approach to owners, bankers, and mortgage loaning institutions—since "the money" is generally quite inaccessible to salesmen.

BUILDING INVESTMENT

The National Authority With the Money Interests

420 LEXINGTON AVE.

NEW YORK CITY

HOW TO USE DISPLAYS TO INCREASE SALES

This new and interesting booklet covering manufacturers' present-day marketing problems sent free to executives.

Address

The Schaefer-Ross Co., Inc.

Manufacturers of

Advertising Displays

80 North St. - Rochester, N. Y.

Radio for Results

Number 10

WHO?

A stove company maintains a radio cooking school for one hour each week during the morning. As a result of this effort, a membership of 35,000 in the class has been signed up while it is estimated that approximately four times that many listen in. The cost for securing new members is four cents each.

The complete story may be secured from

SCOTT HOWE BOWEN, INC.

National Representatives of Radio Stations

274 Madison Avenue New York City
CHICAGO DETROIT BOSTON

Is the Thirteen-Month Calendar Practical for Business?

(Continued from page 354)

extra day beyond fifty-two weeks and the quadrennial leap day would be taken care of by giving it a special name such as "Year Day." And by giving both "Year Day" and the quadrennial "Leap Day" these special names the calendar becomes fixed. The drifting of the weeks is stopped, and every weekday falls on the same four recurring dates each month. When the thirteen-period calendar is used concurrently with the present calendar, as it is now being used by several hundred companies, there are three simple ways of taking care of the extra days.

The advantages which have accrued to the Eastman Kodak Company from the use of the revised calendar are identical with the benefits realized by many other users. Mr. Eastman's report states that the general adoption of the calendar would have a beneficial effect in simplifying scientific inquiry, and would also benefit education, agriculture, labor, home and personal affairs and afford more leisure. Also, he contends, it would help the administration of government, facilitate international intercourse and improve international relations. "And since the general public is largely in business, anything that simplifies the conduct of business operations and produces a general economic saving benefits the general public."

Business Favorable

When the working and the benefits of the new calendar are understood, its popularity among business men appears to be immediate. The International Fixed Calendar League, organized for the purpose of promoting the international adoption of the thirteen-month calendar, recently reported that of 600 letters from leading business men of this country, received from an inquiry made by Mr. Eastman, 93 per cent were in favor of calendar revision and approved the fixed calendar. A questionnaire sent to all of its members by the American Management Association, on the same subject, resulted in approximately 300 replies, 90 per cent of which were in favor of adopting this plan of calendar revision.

In 1928 this association issued a report on the operation of the calendar. A survey was made of forty-eight concerns which had used the

thirteen-month calendar for from a few months to more than thirty years. The list of these concerns contains the names of the Carter's Ink Company, Eastman Kodak Company, Fuller Brush Company, Hearst Publications, Inc., Jewel Tea Company, Loew's, Inc., McCallum Hosiery Company, Maytag Company, Pooley Company, Rome Brass & Copper Company and Western Clock Company.

The forty-eight companies reported advantages in handling accounts, keeping of records and accounts for office and factory, elimination of split payrolls, budgeting, statistical work, and so on. Several also pointed out certain advantages in the work of distribution and the management of salesmen.

Thirteen Sales Climaxes

As to the tendency of the adoption of the calendar to increase sales, there is no doubt that this advantage depends on the initiative of individual companies. Typical of these is the Maytag Company, which uses the calendar for its sales work. This concern has reported as follows:

"The thirteen-period calendar is used in the field for sales purposes only. The salesmen are paid their commissions on a thirteen-period basis. The chief advantage gained from a thirteen-period calendar is that there are thirteen sales climaxes during a year's period instead of twelve. We have found that salesmen will sell just as much, if properly organized and handled, under a twenty-eight-day month as they will under a thirty-one-day or a thirty-day month. All contests are of the same duration."

Based on the reports of these companies, the opinion is expressed by the association that if the calendar plan is advantageous for the factory, there is apparently little reason why it should not also be advantageous for compiling sales records and the many other records necessary for the administration of the business.

"We have been conducting our accounting on four-week periods since January 1, 1918," the Graton & Knight Manufacturing Company reported. "This gives us thirteen periods of four weeks each a year, with the exception of either the fifth or sixth year, when we have to have the thirteenth period made up of five

weeks. We have found this system to be very helpful in payroll distribution and comparison of all financial, sales and manufacturing costs."

The Fuller Brush Company found that, over a period of years, it was difficult from a standpoint of consistent sales promotion to continue using the regular calendar, and its report to the association adds: "Beginning January 1, 1924, as a company, we went on a thirteen-month calendar, calling months periods of four equal weeks. We have found this program . . . to be very satisfactory in equalizing our sales reports and sales promotion work."

Sears, Roebuck & Company, which inaugurated the thirteen-period year in January, reports that in its investigation before adopting the new calendar it was learned that more than 100 firms were now operating on a thirteen-month basis. Officials of the company are now at work adjusting the figures of 1929 to the new calendar for the purpose of comparison with 1930, but after this first year they expect a great simplification of records for future comparisons.

Sears, Roebuck Difference

The Sears, Roebuck calendar differs in one respect from those of other companies. Its year will always start on January 2, from which all of its 40,000 employees are paid on a four-week basis and merchandising and advertising programs arranged accordingly. The regular calendar will be followed as to holidays.

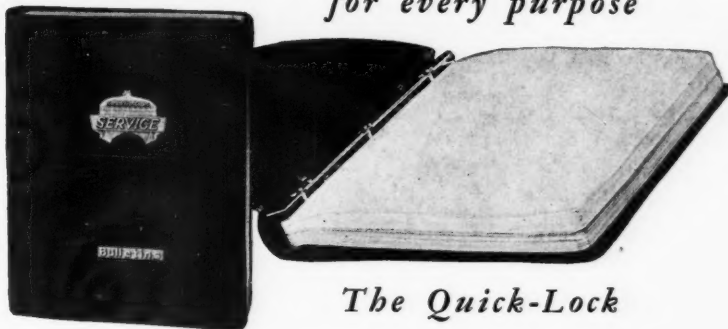
In the publishing business the new calendar appears to offer an exceptional illustration of the application of the revised calendar in international business affairs, judging from a newspaper release sent from Mr. Eastman's office, which quotes from an endorsement by the United Press Association as follows:

"The entire system of the United Press is on this thirteen-period basis throughout the world. We do business in forty different countries, under widely varying conditions, and have more than 1,100 clients. The thirteen-period system enables us to handle all this business throughout the world in a uniform manner and gives us an accurate figure on our exact profit every four weeks."

When the long list of endorsers of the plan, including many of the most prominent names in the industrial, political and educational fields of the country, is considered with the innumerable advantages by those who have adopted the new calendar in business, it seems strange that the calendar is not now in general use.

Loose-Leaf Binders

for every purpose



The Quick-Lock

Quick popularity has been the reward of the Burkhardt Quick-Lock binder. It offers special advantages in compactness and convenience, and special attractiveness when color-decorated by the Burk-Art Process. —Find out for yourself how well Burkhardt Loose-Leaf binders will meet your needs. Write to us today.

THE BURKHARDT COMPANY

545 W. Larned Street

Detroit, Michigan

TO Sales and Advertising Executives who want accurate, down-to-the-minute information about

Daily Newspapers

Farm Papers

General Magazines

Business Papers

Foreign Language and

Radio Broadcast

Religious Publications

Advertising Rates

we recommend that you send for details of a plan which places this Service at your disposal for 30 days without obligation on your part.

STANDARD RATE & DATA SERVICE

The National Authority

536 LAKE SHORE DRIVE

CHICAGO

Checks and Double-Checks on Field Survey Data

(Continued from page 348)

report to you so that we can be sure that your remarks are correctly recorded." (Report is read.) "I am glad to learn that the report is accurate, Mr. Jones, and your cooperation in helping us to solve a vital problem is greatly appreciated." In almost all cases, reports to be checked are chosen at random from those turned in by each investigator.

Experience in working up questionnaires makes it possible to devise a set of questions for which it is very difficult to fake answers. In spite of this, the best field research practice requires that a reasonable proportion of field reports from each investigator be checked in every survey.

Interviews may be made with every jobber who handles a certain product which has sectional distribution, yet the great majority of surveys are unable to reach all of the persons in the groups to be investigated. The expense of interviewing every woman in New York City, for example, is prohibitive. The question, "How many persons must be interviewed to give adequately correct returns?" immediately assumes importance. The size of the necessary sample depends upon the number of persons in the group selected for study, their geographic location, the social groups involved, and other similar factors. The principles applied can, however, be explained.

Assume, for example, that a survey is to be made for determining the reason product X is bought. Its manufacturer is planning to advertise this item for the first time and needs to know the best copy appeal. One hundred interviews in homes classified as "average" show that there are three reasons the product is bought—appearance (60), effectiveness (20), low price (20). A second 100 interviews are made in "average" homes and these show a distribution as follows:—appearance (50), effectiveness (30), low price (20). Adding the third, fourth and fifth 100 interviews, this table might be created:

Group	No. 1	2	3	4	5	Av.
Appearance ...	60	50	55	70	60	59
Effectiveness ..	20	30	20	10	25	21
Low price	20	20	25	20	15	20

The facts portrayed by each 100 interviews are, roughly, the same as those pictured by the average for the 500 interviews. All of the reports

thus show consistency. Advanced statistical procedure permits the calculation of the maximum percentage of error in such a set of figures. In the assumed figures, "appearance" is consistently the most important factor in the purchase of X by a large margin. Fewer interviews are necessary in such a case. By consistency and similar tests, statisticians can calculate the dependability of the facts gathered from the field.

The market survey of today is dependable. Duality of method prevails from the field work to the final analysis of the reports. Statistical methods have been developed to test the collected data. The veracity of the field workers' reports are investigated. Nothing which can be checked is left to chance. In brief, modern market research has developed a technique which, when conscientiously applied, gives accurate conclusions.

Yesterday's Traditions and Today's Sales Appeals

(Continued from page 347)

of line and color in many of the things it buys, and the work of the artist-designer is rapidly becoming a necessary part of business in general, for we are having a real renaissance that is resulting from that satisfaction with mechanical perfection and utility which intelligently demands a further esthetic satisfaction. This demand is growing, and in taking full advantage of it there is no doubt that manufacturers must spend the same painstaking care in the creation of the designs, presenting their goods as they now do in the attainment of quality in their products.

"For several years our general public has shown an increasing interest in the backgrounds of the United States, as expressed by the demand for antique furniture, hooked rugs, old pewter and many other properties of our ancestors. Our people are surrounding themselves with these things and innumerable reproductions of them, not merely because they are old or suggest antiquity, but for the reason that they are artistically beautiful, and, whether they realize it or not, they are educating themselves to demand better artistic effects in all of the purely utilitarian articles they buy.

"For these reasons, manufacturers of fine goods must coordinate utility and quality with artistic effects, and American designers, in delving into the country's backgrounds, will discover innumerable motifs from which to create all kinds of commercial designs that will never lose their appeal, their attractiveness and their selling power.

"There is still another reaction to correct designs from certain background sources that should be of interest to the manufacturer. While I know very little of advertising, I have been impressed with the probable publicity advantage in the interest expressed by various companies and organizations. Inquiries have been received from large printers who are interested in the possibility of using the materials and designs for binding books and booklets. Individuals have requested samples for various purposes, including store window trimming. Schools and boards of education have asked for short pieces of the printed materials for educational purposes. The number of these requests has been surprising; the advertising value seems to be obvious, and I see no reason why the same interest would not be aroused by any commodity presented by a correct and artistic design, taken with a thought as to its selling value from the same rich source."

Westinghouse to Give \$10,625 for Radio "Ideas"

An invitation to everyone in the country to become a member of the "cabinet designing staff" of Westinghouse Electric & Manufacturing Company will be formally extended September 25, in an announcement of a Westinghouse Radio \$10,000 Idea Contest. The company will open a "suggestion box" and the prizes, ranging from a trip to Europe or \$5,000 in cash, down to \$50, will total \$10,625.

Anyone, except employees of the company, may compete. All ideas should be in the mail December 24 and the winners will be announced January 19, 1931. If a winning idea is submitted by more than one person, the full prize will be awarded each.

Judges will be Helen Koues, director of Good Housekeeping Studio; Neysa McMein, artist; Rosamond Pinchot, actress; Raymond Loewy, Parisian artist and designer; E. B. Ingraham, vice-president, Times Appliance Company, Inc., New York City; and A. W. Robertson, chairman of the Westinghouse company.

Business Men Need More Self-Made Foresight

(Continued from page 343)

Big business in too many fields is trying to succeed with the fallacious competitive strategy of attaining sales volume without adequate profit. Too many companies hope to starve out competition but wind up on the sinking ship themselves. If prosperity is to return there must be more of the spirit of live and let live. The big companies should not seek to strangle each other, and they should, as a definite matter of policy, help to keep in existence in every field a reasonable number of relatively small companies doing a minority percentage of the total business.

Business men in every line must concentrate on obtaining more and better facts about their markets. They must increase their knowledge of merchandising technique of the profitable sort. More men with specific, extensive and current experience in the selling and advertising ends have got to be elected to boards of directors and listened to attentively by the bankers and "more or less retired" famous names that clutter up so many directorates and who so often drag companies into policies a year behind instead of a year ahead. Manufacturers must concern themselves more about whether retailers on the re-sale and supply houses on the providing side are being dealt with on a basis that insures their opportunity to operate at a profit. There must be more thinking and more doing under the flag of "all for one and one for all."

Must Prove Our Mettle

Before we criticize and pass the buck to President Hoover or any one else, such as James W. Gerard's list of fifty outstanding citizens who "rule" America, we have got to prove our own mettle, meaning our own ability, courage and intelligence in the face of existing conditions. Business has got to clean its own house in order to bring back sound prosperity. We cannot rely on political panaceas. Fortunately, business is already definitely getting better. This is because the opportunists with their pessimism attributable mainly to ignorance are giving way to the realists whose practical business ability and courageous optimism is bringing tangible results of a favorable kind. We can all accelerate this progress and join the

ranks of those who are enjoying increasing success by giving up talking and sticking to our knitting.

One year Hoover is called to help the Mississippi Valley area because it is flooded with too much water. About a year later he is called upon to meet the havocs of a drought. And it looks as if the best solution lies in spending money now to prepare against the next deluge. Queer old world with some queer new problems. But, let's keep our Government most active in those fields which are most logical for it and as good business men let's take care of business depressions on our own account. It is largely up to business men to restore widespread prosperity by developing truly farsighted policies.

Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

Year 1930	Year 1929
July 5 94	July 6 141
July 12 ... 91	July 13 ... 138
July 19 ... 90	July 20 ... 138
July 26 ... 83	July 27 ... 136
Aug. 2 ... 78	Aug. 3 ... 136
Aug. 9 ... 90	Aug. 10 .. 129
Aug. 16 .. 88	Aug. 17 .. 137
Aug. 23 ... 89	Aug. 24 ... 135
Aug. 30 ... 89	Aug. 31 ... 138

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

The principal factor involved is that of factory consumption, the data being used along this line involving approximately 25 per cent of the total production of the motor car industry. Inasmuch as production of automobiles is adjusted to retail sales at relatively short intervals of time, this index really portrays to some extent the trend of motor car retail sales as well as of motor car production. The volume of business transacted by the automotive industry, including its tremendous consumption of many and varied types of products as glass, steel, paint, cotton, copper, etc., gives this index of motor activity much significance from the standpoint of the business of the country at large. The fact that it can be obtained weekly also contributes to making it one of the most valuable indices to general business conditions that have been thus far developed.

Don't Overlook this Southern Market

Here is a new untapped Southern market of more than a million people that your National advertising fails to reach . . . the Southern Methodist Publications reach them . . . all good substantial white people . . . the cream of the South. Turn to Standard Rate and Data or let us send facts and figures on how to reach them economically.

LAMAR & WHITMORE
Publishers

E. M. McNEILL, Advertising Director
E. J. LINES, Traveling Representative
810 Broadway, Nashville, Tenn.

**SOUTHERN
METHODIST
PUBLICATIONS**

1,029,000
CIRCULATION

Radio for Results

Number 11

WHO?

A vacuum cleaner company used six programs on three Los Angeles stations offering to place a vacuum sweeper in anyone's home on free trial. Result: 421 leads which resulted in 144 sales.

The complete story
may be secured from

SCOTT HOWE BOWEN, INC.

National Representatives of Radio Stations

Chrysler Building New York City
Chicago Philadelphia Detroit Boston

New England Sales "Catechism"

(Continued from page 356)

VI. Our Results

65. What is the extent of our "cancellations?" How can we decrease them?

66. What do our "returned goods" amount to? Why are they coming back to us?

67. What is our "accounts receivable" turn-over? Can we increase it without loss of customer or good will?

68. What is our annual "dealer-mortality?" Is it too high? too low?

69. Are we too conservative in our discounts? or too liberal?

70. What do our "lost sales" amount to? What causes them? How can we convert them into orders?

71. Is our finished product inventory "turning over," item by item, or line by line, at the most profitable rate for us? for our dealers?

72. Is our production system flexible enough to permit quick adjustment to fluctuations in demand?

73. Are we utilizing research; to improve products; to develop new products; to cut our manufacturing costs; to broaden our markets; to better serve our customers?

74. Do we study business trends within our industry; in allied or related industries; in competing industries; in industry generally?

75. Do we test the effectiveness of a policy or method before we adopt it as our standard?

76. Do we insist that every phase, activity, or element, of the business shall justify itself on the ground of profitability?

Will Europe Ever Unify Her Tariff Policies?

(Continued from page 352)

Do you think that a United States of America could be formed now with one customs union? Ask Borah and Reed, they know.

General Hancock was ridiculed when he said the tariff is a local proposition. But he was right. And it is local whether in Atlanta, Altoona, Aberdeen, Abo, Athens, Auckland or Perth Amboy.

As long as democracy exists in Europe there will be no United States of Europe. If another Napoleon conquered all of Europe it might be different—but even Napoleon fell because of a tariff dispute.

Kroger Stores Sell Satevepost

Kroger Grocery & Baking Company has started to sell, under its own labels, the *Saturday Evening Post* and *Ladies' Home Journal*, of the Curtis Publishing Company, in its stores in Cincinnati, Pittsburgh, Cleveland and Detroit. Kroger reports that large sales have been shown in each of the cities in which the magazines are being sold.

The F. W. Woolworth Company has been distributing four magazines of the Tower Publishing Company for the last year and a half.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display. Cash Basis Only. Remittance Must Accompany Order.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four year his sales were nationwide, running to 100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

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Reprints at Cost

We will reprint at cost plus ten per cent for postage and packing any article in this or other issues of SALES MANAGEMENT.

In every issue there are articles which profitably could be sent to business associates, customers, or friends of some of our readers. We shall be pleased to quote prices in any quantity desired.

REDUCE YOUR COST OF SELLING

by using Direct Mail—Letters, Post Cards, Folders, Blotters, Booklets, Catalogs, etc., etc. *Postage and Mailbag*—monthly magazine—published continuously since 1916—is entirely devoted to Direct Mail Advertising and Selling. Tells how to reduce selling cost. Full of sound business ideas, information and facts. \$2.00 a year. At end of year, we return \$4.00 if you are not satisfied. Send 25c for sample copy.

Postage and Mailbag 58 35th Street Brooklyn, N. Y.

Extra Copies

If you want extra copies of this issue please order promptly, as our supply is frequently exhausted a week after date of issue.

"GIBBONS knows CANADA"

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